STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

21st Century Telecom of Illinois, Inc., AT&T Communications of Illinois, Inc. CoreComm Illinois, Inc., Covad Communications Company Illinois Bell Telephone Company MCI WorldCom, Communications, Inc. McLeodUSA Telecommunications Services, Inc., NEXTLINK Illinois, Inc., NorthPoint Communications, Inc., Rhythms Links Inc., Sprint Communications Company L.P., Ushman Communications Company	**:**	**00-0592**
Joint Submission of the Amended Plan of Record for Operations Support Systems ("OSS").	**:**	

~~POST EXCEPTIONS PROPOSED~~ ORDER

By the Commission:

Introduction:

On September 5, 2000, there was filed with the Illinois Commerce Commission ("Commission") a Joint Petition for Arbitration ("Petition") by Illinois Bell Telephone Company ("Ameritech Illinois" or "Ameritech" or "AI"), along with AT&T Communications of Illinois, Inc. ("AT&T"), CoreComm Illinois, Inc. ("CoreComm"), Covad Communications Company ("Covad"), WorldCom, Inc. ("WorldCom"), McLeodUSA Telecommunications Services, Inc. ("McLeod"), Nextlink Illinois, Inc. ("Nextlink"), NorthPoint Communications, Inc. ("NorthPoint"), Rhythms Netconnections and Rhythms Links, Inc. (together, "Rhythms"), 21st Century Telecom of Illinois, Inc. ("21st Century"), Ushman Communications, Inc. ("Ushman"), and Sprint Communications L.P. ("Sprint"). Included as an attachment to the Petition was Exhibit 1, the Amended Plan of Record which, inter alia, reflects agreements on OSS interfaces, enhancements, and business requirements consistent with Condition 29. Exhibit 1 shows, as "lined through" text, Ameritech's proposed language, which is being disputed in this arbitration. Also attached to the Petition was Exhibit 2, a list of the disputed issues remaining in this proceeding.

Authority:

The authority for this proceeding arises out of Condition 29 as set out in the Commission's September 23, 1999 Order in 98-0555 approving the merger of SBC Communications, Inc. and Ameritech Corporation. (Illinois Merger Order).

Procedure:

Pursuant to notice, a status conference was held on September, 29, 2000 at the Commission's offices in Chicago, Illinois, at which time the parties agreed on a schedule for the proceeding. Appearances were entered by counsel for AI, Staff of the Commission ("Staff"), WorldCom, NorthPoint, McLeod, Covad, Nextlink, Sprint, Rhythms, AT&T and CoreComm.

Initial Comments, properly verified, were filed in this cause by: AI, AT&T, CoreComm, NorthPoint, 21st Century, Covad, WorldCom, Sprint, Rhythms and Staff.

Pursuant to notice, evidentiary hearings were held in this matter before a duly authorized Hearing Examiner of the Commission at its office in Chicago, Illinois on October 2-5, 2000. Present and available for cross-examination were: Kathy King; Monet Topps; Tim Gilles; Angela Cullen; Michael Silver; Michael Barry; Sandra Baker; Denise Kagan; Mary Pat Regan; Donna Navickas; Joe Zills; John Mileham; Robin Jacobson; and Mark Welch on behalf of AI; Patricia Coughlan, Timothy Connolly and Scott Finney on behalf of AT&T; Mary Cegelski on behalf of CoreComm. Rod Cox on behalf of McLeod; Brian Baltz on behalf of Rhythms; Sherry Lichtenberg and Earl Hurter on behalf of WorldCom; Bogdan Szafraniec on behalf of Covad; Rolando Palacios on behalf of 21st Century; and, A. Olusanjo Omoniyi, Christopher Graves, Russell Murray and Michael Porter on behalf of the Staff of the Commission.

At the hearing on October 5, 2000, the Hearing Examiner granted the Petition to Intervene filed by Birch Telecom, Inc. ("Birch").

A date was set for the purpose of admitting certain exhibits into the record and also to amend the schedule for this proceeding. Counsel for AI, AT&T, Staff, McLeod, NextLink, Birch, Covad, 21st Century, WorldCom and NorthPoint appeared for these purposes on October 20, 2000.

Verified Final Comments were submitted post-hearing by: AI, Staff, AT&T, WorldCom, Joint Small CLECs (consisting of McLeod, Birch and Nextlink), CoreComm, AT&T, Covad/Rhythms, NorthPoint and 21st Century.

The Hearing Examiners Proposed Order issued on November 9, 2000. Briefs on Exception were submitted on November 29, 2000, by AI, Staff, AT&T (filed jointly with CoreComm and Worldcom), Joint Small CLECs (consisting of McLeod, Birch and Nextlink), Covad/Rhythms, NorthPoint and 21st Century. Reply Briefs on Exception were filed on December 11, 2000 by AI, Staff, AT&T (filed jointly with CoreComm and Worldcom), Joint Small CLECs (consisting of McLeod, Birch and Nextlink), Covad/Rhythms and NorthPoint.

Having been informed that a number of Issues were in the process of being settled, the Hearing Examiners issued a Preliminary Post Exceptions Proposed Order on December 20, 2000, dealing only with the issues in dispute.

On January 8, 2001, the parties jointly filed a Notice of Partial Settlement of Issues (on Issues 10, 13, 42, and 62), and on January 9, 2001, they filed a Notice of Partial Settlement of Issues (on Issues 18, 46 and 47). The Staff filed its Response to Partial Settlement of Issues on January 12, 2001, addressing both of these filings. In between, on January 10, 2001, the Hearing Examiners issued an information request raising questions on the settlement language for Issue 18. As requested, the CLECs submitted a joint response via e-mail on January 11, 2001. This response and AI's comments thereon as well as other e-mail communication regarding proposed word/style changes and other inquiries were marked as Hearing Examiners' Exhibit 1.0 and made part of the record.

On January 16, 2001, the Hearing Examiners issued a Post Exceptions Proposed Order which addresses both the disputed and the settled Issues.

I. BACKGROUND TO THE CASE

A. Condition 29 of the Illinois Merger Order

The FCC, in its Local Competition First Report and Order, concluded that five specific operational support system (OSS) functions -- pre-ordering, ordering, provisioning, maintenance and repair, and billing for unbundled network element ('UNEs") and resale--must be unbundled on request under the requirements of Section 251(c)(3) of the Federal Communications Act of 1934, as amended (the "Act").

Consistent with this direction, Condition 29 of the Illinois Merger Order requires AI to deploy standard interfaces "for OSS that support pre-ordering, ordering, provisioning, maintenance and repair, and billing for resold services, individual UNEs, and combination of UNEs." It further sets out a three-phase process determined to be "a reasonable approach to what will certainly be a complex and expensive process." (*Illinois Merger Order*, at 196.)

Pursuant to Phase 1 of Condition 29, AI articulated, in a Plan of Record ("POR"), an overall assessment of SBC's and Ameritech's existing OSS interfaces, business and processes and rules, hardware and data capabilities and differences (the present method of operation "PMO"), as well as their plans to deploy application-to-application and GUI interfaces for OSS and for integrating OSS processes (the future method of operation "FMO"). After comment and revision, that POR was submitted to the Commission and approved by Order on April 5, 2000, in Docket 00-0271.

In Phase 2 - AI, the Commission Staff, and CLECs met in a number of sessions, the purpose of which was to obtain "written agreement" on OSS interfaces, enhancements, and business requirements identified in the Plan of Record" (Merger Order at 254) and "[a]ny issue related to OSS systems and or OSS processes."(April 5, Order at 8) Approximately 97 issues rose to a level of significance sufficient to be tabulated separately by Staff in the collaborate process. Many more minor issues and questions were discussed and resolved. Of these 97, a number were rejected (largely on the grounds of duplication) and a handful (mostly involving joint testing) were deferred. The majority of the issues, however, were resolved by a negotiations between the parties.

As the "written agreement" required in Phase 2, Ameritech has amended its POR, where appropriate, to reflect resolutions of issues achieved in the collaborative, as well as to reflect commitments made by SBC/Ameritech in other jurisdictions that effect Illinois. The Amended POR is being jointly submitted by the parties to this Commission.

Phase 2 also contemplates an arbitration by the Commission to resolve issues that are still in dispute at the end of the collaborative process. Those issues, some 20 in number, were put before the Commission in this proceeding.

Phase 3 of the process is a twelve-month implementation period, which begins immediately for those items agreed-on but, for disputed items, the time commences after the arbitration decision is issued. In Phase 3, AI is to "develop and deploy, on a

phased-in basis, systems interfaces, enhancements, and business requirements consistent with the outcome of Phase 2." *Illinois Merger Order*, at 196.

It is noted that a focus of Condition 29 is the development of OSS interfaces in the integration process that is taking place across the SBC/Ameritech service area subsequent to the merger. Condition 29 specifically requires that the POR filed by AI include discussion of the differences between SBC's and Ameritech's OSS interfaces and the companies' plan for integrating their OSS processes. (Merger Order at 253-254) That integration is under way as part of a condition imposed by the FCC on its approval of the SBC/Ameritech merger. In fact, one of the charges to Staff in this proceeding is to "closely monitor the FCC's OSS integration process" and to "specifically advise the Commission as to …the advisability of opting into the FCC process." (Merger Order at 195-197)

B. Federal Proceedings

The FCC's Order that approved the SBC/Ameritech merger imposed several conditions relative to OSS. In re Applications of Ameritech Corp. and SBC Communications, Inc., CC Docket No. 98-141, Memorandum Opinion and Order, FCC 99-279 (released October 8, 1999) ("FCC Merger Order").

First, SBC/Ameritech must develop and deploy enhancements to existing OSS interfaces to support pre-ordering and ordering of components used to provide digital subscriber lines ("DSL") and other advanced services. (FCC Merger Order, Appendix C at ¶ 15-16) A three-phase process is required, including a collaborative Phase II process similar to that contained in Condition 29. Second, SBC/Ameritech is required to develop and deploy "uniform, electronic OSS throughout the 13-State SBC/Ameritech Service Area." (Id. at ¶¶ 25-28) This also involves a three-phase process with a collaborative. Third, SBC/Ameritech is required to negotiate with interested CLECs "a uniform change management process for implementation in the SBC/Ameritech Service Area……to facilitate communication about OSS changes, new interfaces, and retirement of old interfaces, as well as the implementation of time frames which includes such provisions as a twelve-month developmental review, release announcements, comment and reply cycles, joint testing processes and regularly scheduled change management meetings." (Id. at ¶ 32)

In addition, SBC/Ameritech is required to provide direct access to their order processing systems for resold local services and to develop and deploy enhancements to the existing interfaces for OSS that supports maintenance/repair of resold local services. (Id. at ¶¶ 29-30) Also, SBC/Ameritech is required to develop jointly with

CLECs and deploy "either (i) a software solution that shall ensure that CLEC-submitted local service requests are consistent with SBC/Ameritech's business rules, or (i) uniform business rules for a completing CLEC local service requests…" (Id. at ¶ 31) This latter requirement also involves a three-phase process.

To date, the bulk of the work at the federal level by both SBC/Ameritech and collaborating CLECs has involved the Advanced Services and Uniform and Enhanced OSS requirements.

In connection with Advanced Services OSS, SBC/Ameritech filed its initial Plan of Record late last year and six CLECs responded with comments. Phase II of the process began with a collaborative meeting on January 19, 2000, which resulted in the resolution of fifteen operational and technical issues. A second round of collaborative meetings was held on February 1-2, 2000, which resulted in a resolution of an additional eleven issues. At the request of the parties, the FCC granted an extension of time to enable the continuation of the collaborative process. A final round of collaborative discussions was held on March 29-30, 2000; and a number of conference calls followed these meetings. On April 4, 2000, the SBC/Ameritech final (POR) and a list of seven unresolved issues were submitted to the FCC.

With respect to the Uniform and Enhanced OSS requirements, SBC/Ameritech submitted its POR to the FCC on March 7, 2000. Phase II collaboration began on April 10, 2000. Discussions took place in different venues on fifteen days during April and early May addressing over two hundred and fifty issues raised by the CLECs. During that time, the vast majority of the issues were resolved. The collaborative sessions were extended twice by the FCC and concluded on May 19 with the submission by SBC/Ameritech of a revised POR incorporating language upon which SBC/Ameritech and CLEC reached agreement during the collaborative process, together with a list of remaining unresolved issues. SBC/Ameritech and the CLECs continued their dialogue throughout the summer and, on August 8, 2000, SBC/Ameritech submitted to the FCC a further revised POR incorporating all the changes agreed to since May 19. SBC/Ameritech also submitted a revised CLEC OSS issue list which indicated the disposition of more than two hundred and fifty issues raised by the CLECs during the collaborative sessions, and a list of the seven remaining unresolved issues (or categories of issues) in dispute.

With respect to the FCC's Change Management Process ("CMP"), SBC and the CLEC representative of the Drafting Team have met in numerous sessions since November 1999, and countless issues were discussed and resolved. The result is a near-final document included as Attachment A to the Amended POR with literally one issue in dispute. (See Issue #4, *infra*).

C. Other State Proceedings

Earlier this year, the Wisconsin Public Service Commission ("WPSC"), opened Docket 6720-TI-160, entitled Investigation into Ameritech Wisconsin Operational Support Systems. It is a contested case and the WPSC directed the parties (Ameritech Wisconsin and interested CLECs) to participate in a series of pre-hearing conferences to identify OSS issues and to attempt to reach agreement on as many substantive issues as possible. The Commission directed the parties to meet as often as possible in their attempt to reach an agreement and to complete their meetings by September 30. As one would expect, there is overlap between several of the issues raised in the Illinois collaborative and those being dealt with in Wisconsin--e.g. hot cuts, directory listing, and the availability of an ordering GUI. In addition, proceedings that have been opened in Michigan, Ohio, and Indiana dealing with Section 271 of the Act (requirements for Ameritech entry into long distance) have collaborative sessions to deal with OSS issues in general and third-party OSS testing. Significant efficiencies have been achieved in these proceedings by pointing to the results of the collaborative discussions that have taken place in Wisconsin.

II. OVERVIEW OF THE CASE, THE PROCESS AND THE LAW

A. Operations Support Systems

Operations support systems ("OSS") are the electronic systems, information, and personnel that AI uses to serve its customers. AI provides CLECs access to its OSS through electronic "interfaces" or "gateways," which connect a CLEC's personnel or electronic systems to the AI electronic systems that help perform the OSS functions. These systems are sometimes described as "downstream" or "back-end" systems (because they receive information after it passes through an interface) or as "legacy" systems.

OSS serve five principal functions:

- *Pre-ordering:* the process by which CLEC and AI retail customer representatives alike obtain information to place an order;

- *Ordering:* the sequence of steps involved in placing a customer's order on AI's systems;

- *Provisioning:* the activities involved in filling the order;

- *Repair and Maintenance:* receiving "trouble reports" (reports of service problems, which might indicate a problem with services or equipment) and

identifying and performing any necessary work to resolve those reports; and

- *Billing* the end user as necessary for the above services.

Pre-Ordering

CLECs use pre-ordering to gather information from a variety of Ameritech databases and other resources so that CLEC service representatives can explain to customers and potential customers the facts about available products and services, available telephone numbers, dates for installation, and other facts related to the placement of an order. Pre-order inquiries are sent to Ameritech's OSS via an application-to-application ("EDI") interface and graphical user interfaces ("GUI"). The EDI is a computer-to-computer interface preferred in the mass market because it is mechanized and can support higher volumes. Ameritech returns its response to the CLEC inquiry on the same interface over which the inquiry was sent. Because the CLEC service representative is typically "on line" with the end user, such pre-ordering responses must be provided in seconds.

CLEC service representatives interact with current ILEC customers to sell the CLEC's services. A CLEC must first get authorization from the end user to obtain a customer service record ("CSR") - which displays the customer's currently installed Ameritech products and services, directory listing information, service location information, and billing information. CSRs are retrieved by submitting a query to Ameritech's CSR database via either the application-to-application EDI interface or a GUI. Ameritech returns the CSRs by e-mail or on paper when they are so large that processing them through the conventional interfaces would become problematic. The CLEC service representative will usually review the CSR with the end user to verify that the products and services proposed by the CLEC representative are consistent with the products and services being provided by Ameritech or another CLEC. CSR are also used by CLECs to verify directory listings, billing address or post office box data, and any other specific service needs that the end user might have.

Once a CLEC service representative verifies a customer's current services, the representative also needs access to general information about Ameritech's wholesale offerings in order to market other products and services to the customer. Ameritech provides CLECs information about products and services available for wholesale basis via the EDI and GUI interfaces, as well as in a file available on CD-ROM.

As part of pre-ordering, CLECs can submit a due date inquiry to determine the next dates that Ameritech can install the end user's services. Ameritech's response to this inquiry lays out several "next available dates," so that in the event outside technicians are needed to enter the customer's premises to install the service, the end user and the CLEC can select the due date based on the customer's preference. There is no assurance that Ameritech will accept this requested due date.

Two pre-ordering inquiries are specific to those customers who want new lines installed: the address validation inquiry and the telephone number inquiry. The "address validation" inquiry is used to verify the service address against Ameritech's street address guide ("SAG"), (which contains the valid street addresses within Ameritech's serving territory) and enables the CLEC to determine the house or building number, the exact spelling of the street, and the community name according to internal Ameritech records. The "telephone number" inquiry is used to find a phone number for the customer. While facilities-based CLECs have access to their own pre-order telephone number inventories, all other CLECs must query Ameritech's OSS to obtain a short list of telephone numbers available for end users who are installing new lines.

There are many other types of pre-order inquiries. For example, DSL CLECs send pre-order queries to Ameritech's OSS to determine if an end user line is technically capable of supporting the provider's type of service offerings. Responses, in this instance, provide information about the distance between the end user and the serving office and indicate whether the line qualifies to carry digital signals reliably.

Both the type and the number of pre-order queries that the CLEC must perform ultimately depend on the types of services that the end user is requesting. Generally, an average of five pre-order queries are needed to obtain the information from Ameritech's OSS databases to properly prepare an order to migrate service from Ameritech to a CLEC provider. Once a customer's service is migrated to the CLEC, subsequent orders for additional services for that customer are built from pre-order queries into Ameritech's OSS and also into its back-office systems.

Ordering

In the pre-ordering process, CLECs gather information needed not only to market and sell products and services to customers, but also to create and complete the actual orders for those products and services. Any information needed for an order is extracted from the pre-ordering queries processed by Ameritech and the CLEC systems, and is then translated to meet Ameritech's ordering specifications, in conformity with its business rules for form, format, and content. The higher the degree

of synchronization – i.e., conformity of content and form -- between the pre-ordering information and the ordering information, the more likely that pre-ordering data is useful and accurate for ordering purposes. Precise business rules for ordering help to ensure that the information necessary for the order is prepared and coded to meet Ameritech's processing requirements.

CLECs place orders for Ameritech products and services either by faxing completed Ameritech order forms or by using the Ameritech EDI interface. Ameritech's Local Service Center ("LSC") staff transcribe the faxed orders into service orders suitable for processing by Ameritech's legacy (back-office) systems. If there are problems in transcribing the faxed orders (e.g., illegibility or questions about order contents), Ameritech's representatives contact the CLEC by phone or fax to obtain clarifications or corrections. Ameritech's data entry staff use the Ameritech service order processing system (one of Ameritech's back-office legacy systems), to edit the entries individually and also in the larger context of the entire service order. Some edit "flags" in the service order processing system may cause Ameritech staff to contact the CLEC once again to obtain information sufficient to build a "clean" order.

Orders placed <u>via</u> Ameritech's EDI interface must be translated by Ameritech in its interface or gateway applications before they are accepted for processing in the service order processing system. This translation is necessary because the EDI specifications for the CLECs' systems were written to accommodate general, industry-wide perspectives on form and format, whereas the internal processing formats are unique to Ameritech.

During the translation process, each EDI-submitted CLEC local service request (LSR) is transformed into one or more Ameritech service orders. For residential resale orders, the ratio of CLEC LSRs to Ameritech service orders, is frequently one-to-one. For orders involving unbundled network elements, the ratio of CLEC LSRs to Ameritech service orders might be one to several. (For example, for a UNE-P order with directory listing, Ameritech might separate one CLEC LSR into three service orders: one to provision the dial tone, another to provision the unbundled loop, and yet a third to provision the directory listing.) If the Ameritech interface, despite its highly programmed logic, is unable to translate the CLEC's LSR into one or more Ameritech service orders, the CLEC's LSR is said not to "flow through." As such, falls out for manual processing in Ameritech's Local Service Center.

In the initial processing of CLEC LSRs received over the EDI interface, Ameritech validates the CLEC data according to business rules based on the types of services being requested (e.g., UNE-P, line sharing, number portability) or the order

type (e.g., new install, conversion from Ameritech to CLEC, change to features, change to directory listings). If a CLEC's data is inconsistent with Ameritech business rules and ordering specifications -- which consist of several hundreds of pages of technical details, matrices, and coding requirements -- the LSR is "rejected" and returned to the CLEC for review, correction, and resubmission. If a CLEC's data is consistent with the business rules, Ameritech's service order processing system proceeds to build a service order out of the LSR, and another validation and verification is performed, this time of each individual piece of CLEC data. Once again, if the data is incorrect based on this validation, the CLEC's order is rejected and returned.

A CLEC LSR that successfully traverses the ordering process will receive from Ameritech a confirmation notice (a "Firm Order Confirmation" or "FOC") sent by fax for fax orders and through the EDI interface for EDI-placed orders. This confirmation contains the details concerning the products and services that Ameritech will supply on the date that was requested or on a date based on standard ordering intervals. CLECs use the confirmations to notify end users of the due date and of the potential for downtime on that date, as well as to verify with the customers that premise access will be available in instances where installation technicians must be dispatched. CLECs also use the confirmations to verify loop cut-overs with Ameritech.

For each LSR sent to Ameritech, it must send back either a corresponding rejection or confirmation notice, each of which is due within a specified interval, according to performance metrics agreed by the parties. CLECs track rejections to make sure they are corrected and resubmitted (these resubmitted orders restart the entire process at Ameritech once received), and CLECs also track confirmations to make sure end users are contacted as necessary.

Provisioning

Provisioning occurs when the Ameritech service order is implemented. In the case of a CLEC LSR that resulted in the generation of several Ameritech service orders, provisioning is not complete until all of those service orders are implemented.

Ameritech's provisioning processes are specific to the product and service type and the nature of the order activity. Installations of new unbundled loops rely on processes that are different from those involving existing unbundled loops (hot cuts). So too, resale provisioning processes differ from the processes used to provision unbundled network elements. Each of the provisioning processes, however, has certain elements in common: all are scheduled to be completed on the due date; all use a jeopardy notification process when the due date cannot be met after it is

confirmed; all provide information about the provisioning status of the order; and all result in the issuance of a completion notice when the implementation is finished.

B. AI's Plan for Implementing OSS Enhancements

AI has already implemented enhancements to its pre-ordering and ordering systems to facilitate access by requesting carriers to facilities used in providing advanced services, such as Digital Subscriber Line ("DSL") services. Further, AI has modified the repair and maintenance interface (which can be accessed either by an application-to-application method or by a Graphical User Interface) so that requesting carriers can test loops on-line, while the customer reporting trouble with his or her service is still on the phone. In the coming year, consistent with (and in many cases well in advance of) the 12-month implementation schedule established in Phase 3 of Condition 29, AI will carry out a series of major enhancements "on a phased-in basis" (again, consistent with the Commission's Order). AI has provided a summary of these improvements, with references to arbitration issues where they are discussed in detail. Also, AI's Figure 1 illustrates the timeline for these improvements. (See, Attachment A to the HEPO).

Figure 1 shows that, in March, 2001, AI will update the existing pre-order and order interfaces to version 4 of the industry standard Local Service Ordering Guide. At the same time, AI will implement "versioning" which will modify AI's OSS so that, when the March 2001 changes (and any future changes after that) are made and a new "version" of software is implemented, the OSS can still understand and process a CLEC request submitted in the two previous versions. (Issue 1). Further, AI will simplify its ordering interface so that it can accept certain orders without an address (Issue 13). Next, AI will complement the existing interfaces by adding two new, alternative interfaces for pre-ordering, and a new Graphical User Interface for ordering (Issue 19). Also, AI will implement a procedure for supplemental orders known as "full refresh" (Issue 42), which means that a CLEC supplement to an existing order, and any AI notice of a change to that order, will be cumulative (showing all the information on that order, in addition to showing the information that has changed). Joint testing of these enhancements, to help ensure that they will work as planned, will begin in January 2001 using a new "test environment" modeled on the one used by Southwestern Bell in Texas, which the FCC endorsed when it approved SWBT's application to provide long-distance service. (Issue 2)

By June 2001, AI will also implement a "single interface" which will allow CLECs to combine service orders (to be processed by AI) with requests for directory listings (to be processed by Ameritech Advertising Services, an unregulated affiliate) in a single transaction (Issue 62). And, in October 2001, AI will move from "AEBS," the current billing format for unbundled network elements, to "CABS" (Carrier Access Billing System) (Issue 73(b)).

C. Staff Statement and Position on Pertinent Legal Matters

Staff addresses a number of the disputed issues in this arbitration proceeding and, in many instances, provides detailed recommendations that flow from the positions it has taken. In its Final Comments, Staff also seeks to inform the Commission on several legal points that may be pertinent to this cause.

What follows is a summary of Staff's position on (1) the Commission's authority to require reports from ILECs and CLECs; (2) the remedies available to the Commission pursuant to the Act for any non-compliance with its orders in this proceeding; and (3) the authority of the Commission to require ILECs to provide OSS facilities that they themselves do not utilize.

1. Authority to Order Reporting

Citing the provisions of Sections 13-101, 5-101, 5-109, and 4-101 of the Public Utilities Act ("Act"), Staff concludes that the Commission has broad authority to require telecommunications carriers to provide certain information irrespective of whether the carrier provides competitive or non-competitive services. 220 ILCS.

Given this authority, the Commission can legally impose on the regulated parties to this proceeding any reporting requirements it deems necessary to keep itself informed as to the manner and method in which telecommunications carriers conduct business, or own, lease, control, or operate equipment or property. In addition, reports can be ordered which address the adequacy, security, and accommodation afforded by such carriers' services, and which detail compliance with the Commission's orders, the PUA, and any other law. Staff recommends that the Commission exercise its authority to mandate that any report it might require be verified by oath of an officer of the reporting entity.

2. Remedies For Noncompliance With Commission Directives.

The Commission is an administrative agency and a creature of the legislature. It must, therefore, conform its orders to the requirements and limitations of the statute from which its authority is derived i.e., the Public Utilities Act. It is well established that "[t]he Commission's powers are derived solely from the Act, and its authority is limited

by the grants of the Act." (City of Chicago v. Illinois Commerce Commission, 79 Ill. 2d 213, 217-18 (1980); Commonwealth Edison Co. v. Illinois Commerce Commission, 181 Ill. App. 3d 1002, 1008 (2nd Dist. 1989)). It is beyond the Commission's authority to extend or alter the operation of the Act or to exercise powers denied to it under the Act. Unlike a court, the Commission has no general or common law powers and it must find statutory authority for the powers which it claims. (BPI v. ICC, 136 Ill. 2d 192, 201 and 243 (1990); City of Chicago v. Fair Employment Practices Commission, 65 Ill. 2d 108 (1976))

In terms of express statutory language creating remedies for failure to comply with the Act or Commission orders or rules created under it, a number of provisions might be useful to the Commission, depending upon the nature of the noncompliance. The Commission is permitted to seek an injunction or order of mandamus to stop and prevent an act or omission of a regulated entity in violation of law or of a Commission rule or order. (220 ILCS 4-202) Under at least some circumstances, however, the Commission is required to accord notice and hearing to the alleged violator before bringing an action for injunction. (People *ex rel*. Illinois Commerce Commission v. Operator Communication, Inc., 281 Ill. App. 3d 297, 666 N.E.2d 830 (1st Dist. 1996).)

Staff indicates that the Commission may also bring an action under Section 4-203 seeking to recover penalties under the Act. (220 ILCS 5/4-203) Section 5-202 subjects regulated entities which fail to comply with the Act or which fail to comply with a Commission order or rule (in a case in which a penalty is not otherwise provided for in the PUA) to a civil penalty (imposed by a court under Section 4-203) of not less than $500 nor more than $2,000 for each offense. No penalties accrue under Section 5-202 until 15 days after the mailing of a notice to the affected party that it is in violation of the Act or an order or rule of the Commission. (220 ILCS 5/5-202) Penalties for failure to file reports required by the Act or by the Commission, are set forth in Section 5-109, which is quoted in the context of the Commission's authority to require the filing of reports, above.

In 1997, the General Assembly created a system of penalties and other remedies more directly aimed at punishing telecommunications carriers which "knowingly" impede the development of competition in any telecommunications service market. Public Act 90-185 added, *inter alia*, Sections 13-514, 13-515, and 13-516 to the Act. Section 13-514 enumerates the following eight specific prohibited actions that are considered per se impediments to the development of competition:

(1) unreasonably refusing or delaying interconnections or providing inferior connections to another telecommunications carrier;

(2) unreasonably impairing the speed, quality, or efficiency of services used by another telecommunications carrier;

(3) unreasonably denying a request of another provider for information regarding the technical design and features, geographic coverage, information necessary for the design of equipment and traffic capabilities of the local exchange network except for proprietary information unless such information is subject to a proprietary agreement or protective order;

(4) unreasonably delaying access in connecting another telecommunications carrier to the local exchange network whose product or service requires novel or specialized access requirements;

(5) unreasonably refusing or delaying access by any person to another telecommunications carrier;

(6) unreasonably acting or failing to act in a manner that has a substantial adverse effect on the ability of another telecommunications carrier to provide service to its customers;

(7) unreasonably failing to offer services to customers in a local exchange, where a telecommunications carrier is certificated to provide service and has entered into an interconnection agreement for the provision of local exchange telecommunications services, with the intent to delay or impede the ability of the incumbent local exchange telecommunications carrier to provide inter-LATA telecommunications services; and

(8) violating the terms of or unreasonably delaying implementation of an interconnection agreement entered into pursuant to Section 252 of the federal Telecommunications Act of 1996 in a manner that unreasonably delays or impedes the availability of telecommunications services to consumers. (220 ILCS 5/13-514(1)-(8)

More importantly for purposes of this proceeding, Section 13-514 expressly states that "the Commission is not limited in any manner to these enumerated impediments and may consider other actions which impede competition to be

prohibited."(Id.) Accordingly, Staff proposes that the Commission set out which violations of its order it will consider to be prohibited impediments to competition under Section 13-514, for the violation of which other carriers may file complaints under Section 13-515, potentially subjecting the violator to the more substantial penalties established under Section 13-516.

Staff further contends that the Commission's authority is not limited to only those powers that are expressly and specifically set forth in the Act. The express grant of power or duty to an administrative officer carries with it the grant of power to do all that is reasonably necessary to execute that power or duty. (Lake County Board of Revenue v. Property Tax Appeal Board, 119 Ill. 2d 419, 427-428 (1988)). Illinois courts have applied this principle to the Commission. For example, in Moenning v. Illinois Bell Telephone Co., 139 Ill. App. 3d 521 (1st Dist. 1985), citing the broad discretion given to the Commission to fix rates, the court found that the Commission had the authority to allow a utility to require security deposits, even though the Act does not contain an express provision granting the Commission such power. (*See* Moenning v. Illinois Bell Telephone Co., 139 Ill. App. 3d 521 (1st Dist. 1985)) Similarly, in City of Chicago v. Illinois Commerce Commission, 13 Ill. 2d 607 (1958), the Court upheld the Commission's authority to approve an automatic adjustment clause, despite the fact that the Act at that time had no express provision authorizing the Commission to adopt such clauses. (*See* City of Chicago v. Illinois Commerce Commission, 13 Ill. 2d 607 (1958)) More recently, in Abbott Laboratories, Inc. v. Illinois Commerce Commission, 289 Ill. App. 3d 705 (1st Dist. 1997), in rejecting the notion that the Commission was not authorized to establish an unauthorized use penalty for a natural gas company, the Court considered it a well established rule that the "express grant of authority to an administrative agency also includes the authority to do what is reasonably necessary to accomplish the legislature's objective." (Id. at712 .

3. Authority To Require ILECs To Offer Elements They Do Not Themselves Use.

On August 8, 1996, the FCC entered its First Report and Order in In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98, 11 FCC Rcd 15499; 1996 FCC LEXIS 4312; 4 Comm. Reg. (P & F) 1 (August 8, 1996) ("First Report and Order"). (*See* In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98, 11 FCC Rcd 15499; 1996 FCC LEXIS 4312; 4 Comm. Reg. (P & F) 1 (August 8, 1996) (hereafter "First Report and Order")) There, the FCC ruled that operations support systems("OSS") were "network elements," (First Report and Order ¶ 517) and required ILECs to:

> …provide nondiscriminatory access to their operations support systems functions for pre-ordering, ordering, provisioning, maintenance and repair, and billing available to the LEC itself. Such nondiscriminatory access necessarily includes access to the functionality of any internal gateway systems the incumbent employs in performing the above functions for its own customers. For example, to the extent that customer service representatives of the incumbent have access to available telephone numbers or service interval information during customer contacts, the incumbent must provide the same access to competing providers. Obviously, an incumbent that provisions network resources electronically does not discharge its obligation under section 251(c)(3) by offering competing providers access that involves human intervention, such as facsimile-based ordering. (Id., ¶ 523 (emphasis added).

It is clear from this language that, the OSS interfaces offered by an ILEC to CLECs must be comparable in quality to those it itself uses. It does not follow from this provision, however, that ILECs are obliged to provide better service, or to implement improved procedures or procure and deploy updated facilities in the provision of OSS.

In the First Report and Order, the FCC addressed the question, posed by rural carriers, of whether they would have to construct new facilities to accommodate new entrants. With respect to this question, the FCC found that specifically that LECs need not do so, and expressly "limit[ed] the provision of unbundled interoffice facilities to existing incumbent LEC facilities." (First Report and Order ¶ 451.)

Similarly, the FCC, in In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98, 15 FCC Recd 3696, 1999 FCC Lexis 5663, 18 Comm. Reg. (P & F) 888 (November 5, 1999) ("UNE Remand Order"), the FCC specifically rejected a proposal that ILECs be required to unbundle SONET rings. (In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98, 15 FCC Recd 3696, 1999 FCC Lexis 5663, 18 Comm. Reg. (P & F) 888, ¶ 324 (November 5, 1999) (hereafter "UNE Remand Order")) In so doing, the FCC stated that an ILEC has an unbundling obligation to "extend throughout its ubiquitous transport network," but does not "require [it] to construct new transport facilities to meet specific competitive LEC point-to-point demand requirements for facilities that [it] has not deployed for its own use." (Id.)

These pronouncements appear to support the proposition that LECs have no obligation to provide better service, or to implement improved procedures or procure and deploy updated facilities in the provision of OSS. It is clear that ILECs are required to "provide nondiscriminatory access to their operations support systems functions for pre-ordering, ordering, provisioning, maintenance and repair, and billing *available to the LEC itself*[.]" (First Report and Order ¶ 523 (emphasis added).) Likewise, they are required to provide "access to the functionality of any internal gateway systems *the[y] … employ[] in performing the above functions for [their] own customers*[.]" (Id. (emphasis added)) Similarly, an ILEC must "*provide the same access* to competing providers [to available telephone numbers or service interval information]" as is available to its own customer service representatives. (Id. (emphasis added))

Clearly, therefore, the FCC requires parity, but only parity. This is confirmed by reference to the portions of the First Report and Order and UNE Remand Order which specifically decline to impose upon ILECs any duty to provide facilities over and above those which they themselves use.

The fact that the FCC does not require such enhanced facilities, however, is not the end of the inquiry. The UNE Remand Order permits State public utility commissions to require additional elements to be unbundled, provided that the unbundling of such elements can be accomplished in compliance with sections 251(d)(3)(B) and (C) of the Act, 47 U.S.C. §251(d)(3)(B), (C). (*See* UNE Remand Order ¶153.) This permits state Commissions to enforce their own regulations, rules and policies to the extent that such enforcement "is consistent with the requirements of … [S]ection [251];" 47 U.S.C. §251(d)(3)(B); and "does not substantially prevent implementation of the requirements of this section and the purposes of this part." (47 U.S.C. §251(d)(3)(C))

There is no indication in the UNE Remand Order that state Commissions have any authority to unbundle an element unless it is "necessary" as that term is defined, to a CLEC's ability to provide a service it seeks to offer, or unless the failure to unbundle such an element would "impair" as that term is defined, the CLEC's ability to provide the service. An element is "necessary" if, taking into consideration the availability of alternative elements outside the incumbent's network, including self-provisioning, or purchasing an alternative from a third party supplier, lack of access to the element would, as a practical, economic, and operational matter, preclude a requesting carrier from providing the service it seeks to offer. (UNE Remand Order ¶44) Otherwise put, there must be no practical, economic, and operational alternative to the element available. (Id.) Lack of access to an element on an unbundled basis "impairs" the ability of a CLEC to provide a service it seeks to offer if, taking into consideration the

availability of alternative elements outside the incumbent's network, including self-provisioning, or purchasing an alternative from a third party supplier, lack of access to the element "materially diminishes" the CLEC's ability to provide the service it seeks to offer. (UNE Remand Order ¶51) The "necessary" standard applies to proprietary (basically, patented or copyrighted) elements, while the "impair" standard applies to non-proprietary ones. (UNE Remand Order ¶ 31)

Accordingly, Staff advises that the Commission can require an ILEC to offer elements that it does not utilize itself, provided that the element meets the "necessary" or "impair" standard. It appears that, based upon the FCC's reasoning in the First Report and Order, and the UNE Remand Order, that this doctrine ought not to be extended to elements that the ILEC does not itself possess. Where the element in question is one that the ILEC possesses in a different form or format, however, the Commission can order it unbundled or reformatted but only to the extent that the failure to do so would result in an "impairment."

All in all, Staff believes that the Commission should be mindful of all of the foregoing legal authority when it fashions its Order for this proceeding.

III. ISSUES IN DISPUTE

Of the many issues raised in the collaborative sessions, a total of 20 remained in dispute and became the subject of this arbitration. The scope of these issues was outlined by the document entitled "Illinois OSS Issues In Dispute", dated September, 1, 2000. (Exhibit 2 to the instant Joint Petition). Prior to the commencement of hearings, Issues 34 and 97 were settled. At a later stage in the proceedings, after the Hearing Examiner's Proposed Order was issued, the parties attempted to resolve their differences on another six issues. They reached agreement on Issues 10, 18, 42, 46, 47 and 62 (See, filings on January 8th and 9th, 2001). In addition, the parties worked out a settlement of one aspect of Issue 13.

For present purposes, we retain the numbering of the issues in the manner assigned by Staff during the collaboratives. We discuss and resolve each of the disputed issues presented on the basis of the record, the law and our assessment of the impacts that any proposed action might have on the development of competition. In those instances where the parties have reached agreement on the issues, we assess the viability and appropriateness of their solutions.

Issue 1:
Application Versioning

Should Ameritech be required to make application versioning available prior to the scheduled March 2001 technical release?

Addressed by: AI, Staff, Joint Small CLECs and AT&T,
Supported by: WorldCom.

Background:

As is the case with computer programs in most industries, AI makes periodic changes to its electronic OSS interfaces and downstream systems. These changes, sometimes referred to as "releases," may serve one or more of the following purposes:

- compliance with regulatory requirements;
- accommodating new product or service offerings;
- keeping pace with evolving industry standards;
- responding to CLEC concerns or requests for enhancements; and
- addressing needs or improvements identified by AI itself.

This issue concerns "versioning" i.e., programming a computer so that, when a change is made and a new "version" of software is implemented, the computer can still understand (and process) a request submitted in a previous version or versions. AI proposes to implement versioning for its pre-ordering and ordering interfaces in March of 2001, at the same time it implements version 4 of the Local Service Ordering Guide. ("LSOG"). From that time forward, AI's pre-order and order interfaces will understand CLEC inputs in the modified format (LSOG 4), and in the two previous versions. This will give CLECs additional time, above and beyond the 120 days provided in the change management process, to implement LSOG 4 (and any future AI changes) on their end of the interface.

CLEC Position:

With versioning, CLECs are able to migrate to the new release when each has had the time to upgrade its own systems and train its employees on use of the new release. AI has committed to implement versioning of its pre-order and order interfaces beginning with the implementation of the March 2001 software releases. In the interim, AI plans on issuing one pre-order and four order releases for its electronic interfaces.

The CLECs agree that versioning is appropriate, and they agree with the substance of AI's proposal. The only dispute between the parties is timing: the CLECs want to accelerate the implementation of versioning so that it will be available for AI's planned release of system upgrades in December. (There are no system changes scheduled for the period between the December release and the March implementation of LSOG 4). Without versioning, CLECs using these interfaces would be forced to implement these releases on a flash cut basis. Therefore, in order to assure a smooth CLEC transition to these imminent releases, the CLECs would have the Commission direct Ameritech to implement the agreed upon versioning process in the fourth quarter of 2000.

As its alternative position, AT&T requests that AI be ordered to provide the Commission and the industry, with monthly updates on the progress made in meeting its commitment to have versioning in place by March 2001 - the time when AI plans significant software releases. (AT&T Final comments at 10 -14).

AI Position:

AI will support three versions of its ordering interface (most recent dot version of the previous LSOG version and the two most recent versions for the current LSOG), beginning with the LSOG 4 release planned for March, 2001. AI states that providing for versioning is a very complicated, time and resource-laden undertaking. Software code must support each version and stay in synch. The March, 2001, release with versioning going forward will provide CLECs with significant enhancements and be tied to a different set of industry standards. Attempting to support the current older system with versioning will divert critical resources from the March effort. A December, 2000 release, as requested by the CLECs is infeasible.

AI agrees to implement "versioning" in March, 2001, along with the OSS changes scheduled for that time. AI maintains that it should not be required to implement versioning before that time, because the costs of accelerated implementation (*i.e.* the risk that it would prevent AI from timely implementing the March 2001 releases, as well as financial costs) would greatly outweigh any benefit to CLECs in the short period before March, 2001.

AI urges the Commission to restore the red-line language in the first sentence under Section III (Future Method of Operation), subsection A (Overview) of the draft POR that is Exhibit 1 to the Joint Petition ("POR Exhibit") under the heading "Versioning": "Versioning will be implemented by AI coincident with the March 2001 ordering and pre-ordering releases. The March 2001 pre-ordering and ordering

interface will coexist with the production system interfaces beginning with the March 2001 implementation."

Staff position

Action:

Staff agrees that the March 2001 target date for application versioning is reasonable and should be accepted by the Commission as the absolute end date for its provisioning. Staff, however, recommend that the Commission require AI to provide verified monthly reports to the Commission on the progress of its Application Versioning initiative. In its Brief on Exceptions, Staff refines its position to state that the Commission should order that verified reports be filed with the Office of the Chief Clerk of the Commission as public records available for inspection and copying.

Reporting:

Specifically, the Commission should order AI to provide a report to the Commission no later than the 15th of each month that would include a comprehensive and detailed evaluation of the project plan being used to track and manage the implementation of the Application Versioning initiative. The project plan should include all major milestones related to the project along with the estimated and actual target dates for each milestone. Any changes from the previous monthly report regarding planning assumptions or schedule changes should also be noted and an explanation should be provided for those changes. The overall impact of any such changes on the project should also be clearly identified and reported to the Commission. Staff believes the aforementioned report will inform the Commission and the CLECs as to Ameritech's progress toward meeting its committed implementation date. In its Brief on Exceptions, Staff concurs that the Commission require that an AI officer verify the aforementioned report and, requests that the report be filed with the Chief Clerk of the Commission in a form suitable for posting to the Commission's web page. Staff also recommends that the Order specify that all such reports will be public records available for inspection and copying.

Analysis and Conclusion:

The only issue with respect to versioning is the time for its implementation. AI urges us to consider the protection of the March releases as most beneficial for local competition in Illinois. Given the relatively small changes involved in the December release, and the existence of a change management process (CMP) to implement

those changes, AI maintains that the benefit to be derived from the CLEC proposal is negligible.

All parties agree that it is essential for versioning to be in place coincident with the interface enhancements due in March 2001. (AT&T Final Comments at 13). These enhancements are significant, in the CLECs view, for if they were to "flash cut" to these systems, the results could be disastrous. (Id).

We are persuaded by the record, including the position of our Staff, that the March 2001 implementation date is appropriate under the circumstances and will hold AI to its commitment. We also agree with Staff that a reporting requirement is necessary in order to keep the Commission apprised of AI's progress on Application Versioning. The Commission, therefore, directs AI to provide a verified report in the specific manner and timeframe specified by Staff, to ensure that it is on track in meeting this absolute end date.

Issue 2:
Joint Testing

(a) What changes, if any, are necessary to the current joint testing environment?

(b) What changes, if any, are necessary to the proposed future joint testing environment?

Addressed by: AI, AT&T, Joint Small CLECs, WorldCom and Staff

Background:

Joint testing describes the process by which AI and the CLECs will test a new OSS interface or application, including releases or versions. Similarly, joint testing arises when a CLEC upgrades or changes its side of an OSS interface. The joint testing process is applicable to application-to-application, pre-ordering, ordering and trouble administration interfaces.

Issues still exist for the "current" joint test environment and also the joint test environment that will be implemented in January, 2001.

CLECs request that three changes be made to the "current" test environment:

(1) increase the number of tests allowed per day,
(2) decrease AI's response time, and
(3) require AI to run the testing process off a separate computer system that mirrors the production system.

Staff makes two further suggestions for the "current" test environment:

- CLECs should have a minimum of fifteen days and a maximum of thirty days prior to a scheduled release for testing, and
- a dedicated resource, other than the CLEC's AI Account Representative, should be assigned to the CLECs during a given test period to assist them during the test process.

In relation to the "future" test environment, the parties have agreed to a 60-day test period for initial POR-related releases and a 30-day test period for other releases. (Staff Initial Comments, p. 11) Additionally, the parties have apparently reached an agreement on several of the other underlying issues. There is, however, still some dispute as to the specific language that should be included in the POR as to the following matters:

(1) that AI's future test process include a computer-based testing system that is physically separate from its production interfaces;
(2) that the joint testing process will be available in instances where a CLEC initiates changes on its side of the interface and seeks to test them prior to use in production;
(3) that corrections made to the AI testing environment be made to the production systems;
(4) that pre-order testing will use identical databases to those used in production; and
(5) that all pre-ordering inquiries will be available in testing. (AT&T Final Comments, p 16-18)

AI and AT&T submitted revised proposed POR language with their Final Comments that reflect their respective positions.

The CLECs and AI have failed to reach an agreement on the issue of AI monitoring of test transactions. AI has proposed that all test transactions will be monitored, with the exception of a window of time in which test transactions will be processed without pause. AI further proposes that the window will be 10% of the test period, but the CLEC will be able to request a different percentage through the CMP.

AT&T, on the other hand, suggests that no test transactions be monitored unless a CLEC requests differently.

Staff made one final suggestion regarding the monitoring of AI's progress in implementing these changes. This suggestion would involve a monthly report to the Commission from AI.

Current Test Environment

AI Position:

AI points out that any changes to the Current Test Environment would be of little benefit to the CLECs. The Current Test Environment will be replaced in January 2001, in order to begin testing for the March, 2001 release. AI states that they are willing to work with CLECs to ensure that testing in the last months of the current environment meets legitimate needs, without imposing undue burdens. (AI Final Comments. p. 23). The POR allows CLECs to request exceptions to the current testing process through their account manager, so that AI can plan for and meet any special concerns. (POR, p. 39).

CLEC Position:

CLECs have several concerns with the current test environment and believe that the environment is "wholly inadequate for a CLEC to test on a commercially viable basis." (Tr. at 403). They argue that the limits on the number of tests and the turn around time required by AI is not conducive to "the type of robust testing necessary to evaluate systems and processes changes." (Joint CLEC Final Brief, p. 10). CLECs would like to have the number of tests allowed increased from five to fifteen. Additionally, they would like to receive a response from AI in one day, as opposed to the four days that is currently provided.

CLECs are also concerned that tests are not done on a separate computer system. By not separating the test and production systems, testing could negatively impact AI's production systems and CLEC orders could be put at risk. (AT&T Initial Comments, p. 62). CLECs believe that the two systems should be entirely separate, but that one system mirror the other.

Staff Position:

Staff agrees with the CLECs and also suggest further enhancements to be made to the current test environment. These include a testing period where CLECs would

have a minimum of fifteen days and a maximum of 30 days prior to a scheduled release for testing and also a dedicated resource, other than the CLEC's AI Account Representative, that would be assigned to the CLECs during a given test period to assist them during the test process. Staff is also concerned that the current testing environment, with its manual testing procedure, is not conducive to reliable testing. Staff states that it is difficult to determine whether the manual intervention in the testing process skews the validity of test results.

Analysis and Conclusion:

The CLECs and Staff raise many valid concerns about the current test environment. We recognize the importance of comprehensive testing in order to ensure smooth OSS release. The Commission, however, needs to look at all the demands being placed on AI resources in this Arbitration.

AI's future joint testing environment will be available for CLECs in January. The future environment will be available in time for testing the many OSS releases planned for March, 2001. Any changes ordered to the current testing environment would be obsolete in less than one month. The Commission sees no need to take resources away from other AI projects in order to make changes to a temporary system. Therefore, AT&T's and McLeod's proposed language for the beginning of the CLEC Joint Testing Section of the POR will not be adopted.

Future Test Environment:

AI Position:

AI proposes to implement the new test environment in mid-January, 2001. (Tr. 662). This will give AI and all CLECs two months to test the March 2001 release before it goes into effect. Id. The proposed environment will also be available for testing between releases, for CLECs that are just starting out on an interface or any other purpose (e.g., the scenario described at p. 61 of AT&T's Initial Comments, in which a CLEC makes changes on its side of the interface and wants to see how its revised systems work with AI's OSS).

The proposed future test environment will be modeled on the environment used by SWBT in Texas, which the FCC found adequate when it approved SWBT's Section 271 application to enter the long-distance market in Texas. (AI Initial Comments, p. 14). The new test environment will be kept separate from the production environment (the real world OSS), which will continue to process transactions in the existing format

until the proposed change is implemented. (Tr. 663). The test environment will be a mirror of the production environment. That way, CLECs will still use existing formats to submit orders from actual customers in the production environment, while simultaneously using the proposed new formats to submit test transactions or "scenarios" (orders designed by the CLECs to mimic orders that customers are expected to generate) in the test environment. AI will work with CLECs to coordinate and carry out their various individual test plans, and to resolve problems noted in testing. This cooperation and feedback helps both AI and CLECs. Moreover, AI believes that test orders should be monitored and such monitoring is of benefit to both AI and the CLECs. According to AI, this will help ensure transactions are flowing properly, identify problems more quickly and give AI the ability to assist CLECs in working through their testing process.

In its Brief on Exceptions, AI states that truly separate computer systems are unnecessary. (AI Brief of Exceptions, p. 10). AI commits to using "physically separate software and a 'partitioned' test environment." Id.

AT&T argues that the Plan of Record should say that corrections made to the testing environment will also be made to the production environment. (AT&T Initial Comments, at 66). The problem, as AI witness Ms. Cullen explained, is that AT&T's proposal does not distinguish between the production environment in existence *before* the release that is being tested, and the production environment *after* the planned change or release. The test environment is designed to reflect the production environment after the release, and it is standard business practice to apply corrections to the test environment and the post-release production environment alike. (Tr. 669). But the test environment, by definition, does not mirror the production environment *before* a release; thus, corrections to the test environment might not be applicable to that pre-release environment. (Tr. 667). (AI does not believe that AT&T disputes this point.) Thus, AI maintains that an attempt to repeat these standard practices in the POR is unnecessary, and would lead to a round of negotiations over the precise wording needed to make the distinction between environments.

AT&T next argues that the Plan of Record "makes no provision that the query and response generation software available to CLECs will be production copies or duplicate copies of the [OSS] interfaces." (AT&T Initial Comments at 68). AI maintains this is not true. The POR states that the test environment will "mirror[] the production environment" and "will utilize a duplicated copy of the production systems." (POR Exhibit, at 37). As Ms. Cullen testified, that language is sufficient to address AT&T's concern, "That's what 'mirror of production' means" (Tr. 685). There is no need to repeat it for every single piece of software and every single task that AT&T might

conceive.

Next, AT&T suggests that the POR's reference to a "necessary number of test accounts" is a back-handed method to limit pre-order testing and not make all pre-order functions available. (AT&T Init. Comments at 68-69). The language regarding the number of "necessary" accounts, AI argues, merely requires a CLEC to give AI notice of its testing needs so that AI can give the CLEC the number of accounts "necessary" to meet those needs: in other words, "in order to ensure that there is an adequate number of test accounts." (Tr. 690). Given such notice, AI will allow CLECs to test "[a]ll pre-ordering functions, absolutely, yes." Id.

CLEC Position:

CLECs are concerned that the POR language does not reflect certain statements that were made by AI witness, Ms. Cullen.

The first concern is that AI's future test process include a computer-based testing system that is physically separate from its production interfaces. Ms. Cullen stated that the future test environment would be physically separate from production. (Tr. 663). This is important for CLECs because of the possibility of testing negatively impacting production systems.

The second concern is whether the joint testing process will be available in instances where a CLEC initiates changes on its side of the interface and seeks to test them prior to use in production. Ms. Cullen stated at the hearing that "the test environment will also be available for CLEC turn up testing and other CLEC testing between releases." (Tr. p. 684-685).

The third concern is that corrections made to the AI testing environment be made to the production systems. Ms. Cullen testified that this is normal procedure for AI to make corrections to the production environment that were found in testing, however she was not sure that language needed to be included in the POR reflecting this.

The fourth concern of CLECs is that pre-order testing will use identical databases as those used in production. To address this concern, AT&T's proposed language inserts the terms "test databases, and test transactions" when defining what will be available for use during CLEC testing.

The fifth CLEC concern is that all pre-ordering inquiries will be available in testing. Ms. Cullen states "All pre-ordering function, absolutely, yes. You should always have access to all pre-order functions." (Tr. p. 690). AT&T believes that the POR should reflect this commitment.

CLECs are also concerned about AI's proposal to monitor test transactions at all times except during a small window. AI states that monitoring is for the benefit of small CLECs, however CLECs point out that "no Illinois CLEC has ever requested monitored testing." (AT&T Brief on Exceptions, p. 5). Furthermore, the CLECs believe that with monitoring, the test environment does not mirror the production environment. Monitoring interrupts and slows the movement of test orders through AI's systems and does not allow CLECs to test flow-through. CLECs also find AI's proposal inadequate because the period for non-monitored testing has not been identified. CLECs propose that the choice should be with them whether to use monitored or non-monitored testing.

Staff Position:

With respect to the testing process scheduled for March, 2001, Staff points out that there may be differences in the market conditions between Texas and Illinois and therefore FCC approval of the Texas joint testing process is not relevant for how well the system will work here.

Staff proposes that:

(1) any language for the proposed testing process should be more detailed and precise
(2) this should be done prior to the roll out date of March 2001 or no later than December 15, 2000 or 30 days after the Order in this proceeding;
(3) AI should be held to its promise that all tests from testing to production must meet industry guidelines.

In its Brief on Exceptions, Staff proposes the following sentence be added to the POR to address the fifth CLEC concern: "All pre-ordering functions will be available in the joint testing environment." Staff believes that this language reflects the commitment made by Ms. Cullen.

Staff further recommends that AI be required to demonstrate the capabilities of the joint testing environment via a walk-through for CLECs and Commission Staff. CLECs should be allowed to provide their input at this time including making recommendations for enhancements and other necessary changes to the process prior

to its rollout. This demonstration should occur, at a minimum, at least 30 days prior to the scheduled rollout of the new environment.

Finally, Staff also recommends that the Commission require AI to provide monthly reports to Commission Staff on the progress of its Joint Testing initiative. Specifically, the Commission should order AI to provide a report to the Commission no later than the 15th day of each month. The report shall include a comprehensive and detailed evaluation of the project plan being used to track and manage the implementation of the March 2001 release. The project plan should include all major milestones related to the project along with the estimated and actual target dates for each milestone. Any changes from the previous monthly report regarding planning assumptions or schedule changes should also be noted. The overall impact of any such changes on the project should also be clearly identified and reported to the Commission. The Commission should also direct that these reports will inform the Commission and the CLECs as to AI's progress toward meeting its commitment with regard to Joint Testing.

Analysis and Conclusion:

After comparing the POR language submitted by AI and AT&T, there are very few differences left to be resolved. The first CLEC concern about physically separate testing and production computer systems is valid and needs to be addressed. The AI language reads "This environment will be physically separate from the production environment, i.e. a separate instance of software code, but may be operated on the same computer hardware as the production system." The use of separate hardware is unnecessary so long as the test environment uses physically separate software code, which is separated from the production software by a virtual "partition" in the mainframe computer. The Commission finds this language is sufficient to address the CLEC concern about separate testing and production environments. Accordingly, no change to the POR is necessary.

The second concern of CLECs has apparently been addressed as there are no differences between the AI and AT&T language on this subject.

The third concern regarding the updating of production systems to correct errors found in testing has not been resolved. AT&T proposes that the following sentence be added to the POR:

> "The New Release Testing environment will migrate into the production environment upon completion of testing new release of SBC systems per the CMP."

The Commission finds that this sentence is not necessary. The Change Management Process ("CMP") clearly defines the process to be followed in cases where changes are made to the system during testing or in response to CLEC comments.

The fourth concern is whether the test environment actually mirrors the production environment. The relevant language that is included in AT&T's proposed language is the following section that appears in the description of both the ordering and pre-ordering test environments:

> "A limited number of test accounts, test databases, and test transactions will be made available for CLEC testing. Ameritech Illinois will provide the necessary number of test accounts, test databases, and test transactions for CLEC use in joint testing. In order to ensure that there is an adequate number of test accounts, test databases, and test transactions, and that these test accounts, test databases, and test transactions meet CLEC scenario requirements. . . " (POR, FMO, Overview, Joint Testing)

AI states that this language is merely repetitive and that they will be offering these types of things anyway. The Commission finds that since AI will be offering these things, they should not have a problem with including these phrases in the POR, Joint Testing Section for ordering and pre-ordering. This is also supported by Staff's suggestion that the POR language be more detailed and precise.

The fifth CLEC concern is whether all pre-ordering inquiries will be available in testing. As the CLECs point out, Ameritech witness, Ms. Cullen, testified that all pre-order functions will be available during testing. As such, the Commission directs that the following sentence be added to the appropriate POR section dealing with joint testing (POR Section 3, FMO, A. Overview Subsection - CLEC Joint Testing): All pre-ordering functions will be available in the joint testing environment.

The final CLEC request, which is beyond a mere language revision, has to do with the amount of monitoring AI will do of test transactions. AT&T states in its final comments that monitoring has the possibility of skewing CLEC results in testing.

(AT&T Final Comments, p.19). The results that the CLECs believe would be skewed are when they are testing the length of time required for certain OSS functions. AT&T states that "[w]hen conducting testing, the CLEC may well wish to gain some indication of the processing intervals that might result in production." Another concern of CLECs is that by stopping the orders for monitoring, the CLECs are not able to test flow through.

AI has offered to allow non-monitored testing to occur during a limited period of time. This period of time, according to AI, will not exceed 10% of the total testing time. CLECs believe that AI's offer is inadequate to meet their needs. The CLECs fear having to cram all the test transactions that they want non-monitored into a short time frame and further believe that this cramming would not mirror production. They are also concerned that AI has not identified when this window of non-monitoring will occur.

~~The testing environment is designed to test the processes involved, look for bugs in the systems and also, among other things, to allow a CLEC to test timing and flow-through.~~ AI's monitored testing proposal presents a very difficult decision for this Commission. On one hand, no party disputes the suggestion that the testing environment should mirror the production environment. On the other hand, no party disputes the suggestion that monitored testing could be beneficial in some circumstances (e.g., for a start-up CLEC who is making its first attempt at building an interface with Ameritech). The challenge faced by this Commission is finding an appropriate solution which balances these objectives.

The Commission finds that AI's proposal cannot be adopted. It is clear that monitoring, as proposed by AI, stops the test transaction, thereby disrupting the timing and flow through of test orders. Since this disruption occurs in the testing environment, but not in the production environment, the two environments do not mirror each other. Despite ~~Flow-through concerns arise when a transaction sent to AI by a CLEC drops out of the computer system and requires manual processing by Ameritech personnel. Monitoring, on the other hand, stops the test transaction, looks at it and then sends it on through the computer system. As the test transaction continues through the computer system, it may "flow through" or it may drop out for manual processing. Therefore, monitoring itself does not disrupt a CLEC's ability to test whether a transaction "flows through". As~~ Ms. Cullen's testimony ~~explained at the hearing,~~ that monitoring "stops the process, but ~~it~~ does not manipulate or change what's going to happen with that LSR~~.~~" (Tr. 682), stopping the process is what ultimately concerns the Commission. Although AI has proposed to provide an unmonitored testing environment 10% of the time, CLECs who object to monitoring would be forced to cram their test orders into a minimal, unspecified time-frame, thereby creating a further departure from

the production environment. The Commission cannot endorse an outcome which would impose upon all CLECs a testing environment that does not mirror the production environment 90% of the time. –

It also appears that the CLECs proposal of Ameritech providing both monitored and unmonitored testing at all times is infeasible because AI's systems are unable to distinguish between different CLECs. ~~A major problem with the CLEC proposal for non-monitoring is that it fails to account for the inability of Ameritech's systems to distinguish between different CLECs. ((~~AI Reply Brief on Exceptions p. 12). AI's system can either be set to monitor "all" test transactions or to monitor "no" test transactions. *Id*. As AI explained in its Reply Brief on Exceptions, if Carrier A and Carrier B both submit test transactions at the same time, monitoring will be either "on" or "off" for both transactions. It cannot be "on" for carrier A and "off" for Carrier B. *Id*. The CLECs have not taken these matters into account or explained how their proposal meets with this reality. Therefore, the Commission declines to adopt the CLECs' proposal. ~~AI's proposal recognizes these system constraints and would allow CLECs to schedule their testing accordingly depending on whether a particular CLEC wants or does not want monitoring.~~

~~The Commission believes that for many CLECs, monitoring will be beneficial. Ms. Cullen stated at the hearing, in response to question by the Hearing Examiner, that the monitoring "does help to speed the process along, especially for a start up CLEC who this is like their first attempt at building these interfaces." (Tr. p. 682). AI, in its initial comments, stated that monitoring "offers Ameritech Illinois testing staff the ability to respond more quickly to CLEC questions or issues as well as to offer consulting or input on alternative approaches." (AI Initial Comments, p. 16). In addition, monitoring allows AI to identify and resolve problems more quickly.~~

~~As for the more experienced or sophisticated users that do not want monitoring, AI proposes a window of time in which monitoring will not take place.~~

The Commission gives substantial weight to AT&T's statement that, "no Illinois CLEC has ever requested monitored testing." (AT&T Brief on Exceptions at 5). The Commission is reluctant to require monitored testing at the suggestion of AI, without any indication from the CLECs that they want this feature. Nevertheless, the Commission cannot overlook the potential benefits that monitoring would afford some CLECs.[1] Thus, the Commission concludes that, in its judgment, AI shall initially

[1] Ms. Cullen stated at the hearing that monitoring "does help speed the process along, especially for a start-up CLEC who this is like their first attempt at building these interfaces." (Tr. p. 682). Ameritech also claims that monitoring "offers Ameritech Illinois testing staff the ability to respond more quickly to CLEC questions or issues as well as to offer consulting or input on alternative approaches. (AI Initial Comments, p. 16).

conduct monitored testing 50% of the time. Although no CLEC in Illinois has requested monitored testing, if the Commission were to reject monitored testing outright, it is questionable whether a CLEC could subsequently request monitored testing at a later date.[2] Furthermore, the Commission finds that providing unmonitored testing 50% of the time will provide more time for CLECs who do not want monitored testing to test timing and flow-through. Without being required to compress all orders into a minimal time-frame, CLECs will be able to test flow through and timing with a higher degree of accuracy. The Commission also finds this solution reasonable because it minimizes the barriers to entry for small CLECs, while taking into consideration the monitoring capabilities of Ameritech's systems.

AI maintains that CLECs can request a higher or lower percentage of time through the CMP. The Commission recognizes the limited number of participants in this proceeding and thus believes that refining the optimal balance of ~~the percentage of~~ monitored and non-monitored testing is more properly decided in a forum where CLECs that are not represented here, will participate.

In its Reply to Exceptions Brief, Staff believes that CLECs should be able to request a higher or lower percentage of non-monitored transactions via negotiations. Staff further believes that the negotiations should take place outside the CMP and prior to the CLEC entering the actual joint testing environment. We agree.

Accordingly, the exact percentage of time for which monitoring will not take place during the test period will be subject to negotiations, outside the CMP, between AI and those CLECs requesting a greater period of non-monitoring. In addition, the Commission orders that all such negotiations occur prior to the start of the joint testing environment for a given release. AI should make a good faith effort to accommodate the CLECs that do not want testing while at the same time addressing the needs of other CLECs who want monitoring. In the event that AI and the various CLECs are unable to reach an agreement, the percentage of time for non-monitoring for all CLECs will remain at ~~automatically be increased to 35~~0%. The POR language should reflect our conclusions.

Issue 4:
Change Management Process - Outstanding Issue Solution ("OIS")

[2] No party to this proceeding proposed in which forum, if any, a request for monitored testing could be addressed (e.g., Change Management Process or the Regional CLEC User Forum).

Should there be a quorum requirement for CLEC voting on Outstanding Issue Solution (OIS) within the context of the Change Management Process (CMP) ?

Addressed by: AI, Staff, Joint Small CLECs, AT&T and CoreComm.
Supported by: WorldCom.

Background:

Pursuant to the FCC's merger conditions, AI has been in negotiations with the CLECs concerning a uniform Change Management Process (CMP) applicable throughout the 13-State SBC/Ameritech service area. The CMP provides the means by which CLECs are involved in the process of introducing new, or changing existing, OSS interfaces and processes. It provides milestones and a timeline for the change process (for "releases") for both application-to-application interfaces and GUIs, including Release Announcements, Initial Requirements, walk-through discussions of Initial Requirements, comment periods, Final Requirements, CLEC joint testing and Implementation. The CMP also specifies release requirements content criteria, the process for Outstanding Issue Solution (OIS) the exception process, Points of Contact, versioning, and requirements for posting legacy system changes.

Important to present concerns, the OIS vote is a process set out in the CMP that allows CLECs, by vote, to block or delay an AI interface change that could negatively affect the CLECs ability to use a particular interface. The CMP makes clear that, an OIS vote could result in (1) the delay of a release, (2) the redesign of a requirement, or (3) the delay in the introduction or retirement of an interface. The CMP further defines those CLECs that are qualified to vote for Final Release Requirements (7.4.1); for New Interfaces (7.4.1.1); for changes to Existing Interfaces (7.4.1.2); and for OIS on Changes involving LSOR Rules (7.4.1.3.).

The parties are in agreement with respect to all aspects of the CMP with the exception of whether a "critical mass" of CLECs should be required to participate in an OIS vote in order for the vote to result in a delay or modification of the subject release.

AI Position:

SBC/AI has committed to making the agreed-to portions of the SBC 13-State Change Management Plan available in Illinois including OIS. It, however, proposes that some minimum number of CLECs be required to vote on an issue. AI recommends that there be a quorum of either at least 50% of qualified CLECs, or a minimum of 8

qualified CLECs, whichever is less in number. Ameritech believes that because a release, or the change or delay of a release, can affect a CLEC in ways that might not be readily apparent, it is important that a minimum number of CLECs participate in a decision to delay a release.

In support of its position, AI indicates that:

(1) in the California - approved CMP, the CLECs agreed to a quorum requirement for OIS voting (2/3 of qualified CLECs. (Signed-off by AT&T).
(2) The Texas PUC ordered a quorum of 50% qualified CLECs for a go/no-go vote (reviewed favorably by FCC).
(3) SBC/SNET merger - related regional CMP meetings - 50% quorum of all qualified CLECs. (AI Initial Comments at 20).

AI further explains that just prior to the actual vote - there is a dialogue of the various views, including a discussion of the impacts of a "no" vote on the remainder of a release or other connected release impact that may not be readily apparent from the vote notice. CMP Sec. 7.3.1 (Tr.59) Because of the nature of this process, AI maintains that participation of a minimum number of CLECs is necessary for an OIS vote to be an informed one that best serves the interest of the CLEC community. Fifty percent of the qualified CLECs or eight CLECs, whichever is less, would provide for such reasonable participation.

AI tells us that the notice of a vote is sent out electronically such that any CLEC could communicate with all other recipients by simply sending a "reply to all" e-mail message. This procedure, AI contends, should satisfy both the CLEC concerns of confidentiality and their competing desire to solicit fellow CLECs to establish a quorum for the vote.

AI asks the Commission to find that its proposed quorum requirement for CMP OIS voting is reasonable and approve the following language for Section 7.5.1 of the CMP:

> **7.5.1 Quorum Requirements**
>
> A quorum consisting of 50% of all Qualified CLECs (as defined above) up to a maximum of 8 Qualified CLECs is required for a dispute vote to be held.
>
> In the case of an OIS on Final Requirements for an EDI/LSR release, or for an EDI/LSR release implementation, or for the back-out of an EDI/LSR release, the number of voting parties required to establish a quorum will be determined based on the number of qualified EDI users (50% up to a

maximum of 8). Although the quorum number is determined based solely on the number of qualified EDI users, the quorum itself may be composed of both qualified LEX and EDI users. So, for example, if the number of qualified EDI users is 10, a quorum of 5 is required to call an OIS vote. However, the 5 quorum members may include both qualified EDI and LEX users. If the dispute involves an EDI/LSR ordering release on the uniform platform, the quorum will be determined based on the number of Qualified EDI CLECs across all SBC regions. However, as described above, members of the quorum may include both EDI and LEX/Uniform Ordering GUI users.

7.5.1.1 If a quorum is established, a 51% vote of the quorum (i.e., a simple majority vote) is required to change a release requirement, delay implementation of an EDI release, back-out a release, or delay retirement of an interface.

7.5.1.2 If the dispute involves a release on the uniform platform, the quorum must be based on the number of Qualified CLECs across all SBC regions (50% up to a maximum of 8).

7.5.1.3 In the event of a tie, or if no quorum is established, then SBC shall proceed to change, implement, or retire the interface as specified in the Final Release Requirements.

CLEC Position:

Having worked with AI since December of 1999 to come to agreement on the 13-state change management process, the CLECs maintain that the single point of dispute over the CMP involves the OIS voting process and specifically, AI's position that an OIS vote be put before a quorum of qualified CLECs when introducing OSS changes.

All agree that there should be a process by which the CLECs have an opportunity to challenge any Ameritech system change that would have negative consequences if implemented as proposed by Ameritech. It is also agreed that in light of CLEC confidentiality concerns, only Ameritech will be privy to the selection and list of qualified CLECs. The criteria for selecting CLECs are spelled out in Section 7.4 of the

Change Management Process (CMP) and the CLECs are in agreement that, the Qualified CLEC selection process is reasonable.

The sole dispute centers on the question of how the OIS vote should occur. The proposal by Ameritech is that it would require "a quorum of either at least 50% of qualified CLECs or a minimum of 8 qualified CLECs, whichever is less" to participate in a vote to delay a release. (Ameritech Initial Comments at 22.) The CLECs perceive this proposal as unfair and unduly favorable to Ameritech. The quorum proposal is considered unworkable, they claim, because it is unlikely that a quorum would ever be present. To illustrate this concern the CLECs note that no meetings in this collaborative have been attended by a majority of the CLECs operating in Illinois.

AT&T requests that the Commission direct AI to allow an OIS vote to take place in Illinois once it has given notice of the pending OIS vote to all CLECs, and that a majority vote of participating CLECs should govern the outcome. According to AT&T, CLEC non-participation may have many causes but regardless of the reason, a CLEC should be able to opt out of a vote completely and not have its vote counted in favor of AI's position. In other words, AT&T believes that opting out - should be considered in the nature of an abstention on the vote.

According to CoreComm, the fundamental disagreement in this instance concerns how to judge whether an OIS vote will reflect a consensus of affected CLECs. CoreComm believes that the quorum requirement imposed by AI serves only to reduce the number of circumstances in which an OIS vote could be used for its intended purposes, namely, to halt a change to an interface where a user of that interface has cause to believe that the release will cause problems for that interface user. (CoreComm Final Comments at 5) In CoreComm' s view, the requirement that there be a majority vote is fair - the quorum requirement is not. CoreComm also contends that a CLEC calling for an OIS vote has no practical means by which to identify the population of the qualified CLECs necessary to constitute a quorum. AI will only be able to release the list of qualified CLECs if each CLEC gives its permission for such disclosure.

The Joint Small CLECs observe that qualification serves a critical purpose - it weeds out those CLECs not affected by a proposed change. They, however, believe it unlikely that a quorum of qualified CLECs would ever be present - based on the number of participants in this proceeding. All qualified CLECs may not be interested in the changes and should be considered as abstaining in the vote and not as agreeing to the "go."

Staff Position:

Staff recommends that in an OIS vote, a majority decision of the qualified CLECs who "choose" to participate in such vote should be mandated rather than a quorum-oriented procedure. (Staff Initial Comments at 14). Staff also recommends that the parties be required to abide by a set of principles in all OIS proceedings, namely, 1) free exchange of ideas and information between CLECs and AI; and 2) good faith negotiations in resolving issues.

With respect to the OIS process, Staff recommends that:

a. a majority decision of qualified CLECs "participating" on a particular vote should be approved, rather than the quorum-oriented procedure advocated by Ameritech;

b. given the newness of this process, the CLECs and Ameritech should schedule a joint review of the OIS within six months and, again, twelve months after the final approval of the CMP to ensure that the process is working appropriately for all parties.

c. a tie vote should lead to the implementation of the AI proposal.

Analysis and Conclusion

The question at hand is wh~~at rules should be adopted for OIS voting. More specifically, it is~~ AI's proposal for a quorum requirement ~~that~~ is ~~in dispute, and we examine if, and why, it is~~ needed in the ~~–~~OIS voting process. Notably, none of the parties addressing this issue rely on any authority or settled principles in setting out their respective viewpoints and positions. Thus, the Commission has weighed the merits of each proposal to arrive at its decision.

The record shows that AI's quorum proposal evolved from its being uncomfortable with the idea that just one CLEC could conceivably make a determination, the consequences of which would effect many CLECs in many regions. (Tr. 77). In other words, AI sought a way to ensure the participation of at least a minimum number of CLECs on an OIS vote. In those instances where 50% of qualified CLECs was still a large population, AI considered a number of eight participants to be suitable for these purposes. (Tr. at 78). In its Reply Brief on Exceptions, AI amended its proposal in this cause to reflect the just agreed-upon regional quorum requirement.

In the regional OIS voting situation, which AI would have be the standard in Illinois, a quorum is defined as the lesser of the following indicators:

1. 50% of the number of qualified CLECs;
2. six (6) qualified CLECs (in the Ameritech region); or
3. the average number of CLECs in attendance at the last three regional meetings.

Based on the whole of their respective comments, the CLEC position is clear: ~~they believe~~ (a) it is unlikely that either a quorum or 8 "qualified" CLECs would ever be present at an OIS vote; (b) if a CLEC wishes to "opt out" of the debate for whatever reason, its abstention should not count as a vote in AI's favor; (c) the majority of qualified CLECs that elect to actually "show up" for a vote, be it 1, 10 or 100, should be able to govern the result; and~~,~~ (d) these certain CLECs state their willingness to accept the consequences of such a "majority-participant" vote. In the Joint Small CLECs' view, the practical effects of AI's quorum proposal will be to silence the CLECs who have grave concerns about the impact of a proposed change.

In its response to AI's amended quorum requirement, CoreComm does not dispute that these changes "are an improvement" over the terms they replace. (CoreComm Response to the Hearing Examiner's Ruling of December 12, 2000 at 5). According to CoreComm, however, the changes do not answer the question whether AI should have the power to implement a change to its OSS interface over the objection of "some number" of CLECs. (Id.) Notably, CoreComm does not describe what that "some number" might or should be. CoreComm further contends that AI's recent modifications still allow AI to overrule the opinion of "multiple CLECs" simply because the CLECs were unable to gather a quorum. Again, it does not define multiple CLECs against the number eligible to vote. As its last word, CoreComm believes that an OIS issue that is determined by a single CLEC vote best represents the opinion of all qualified CLECs. (Id. at 6).

First and foremost, the Commission is equally as concerned with the debate and deliberations surrounding a particular OIS vote as the actual vote itself. Prior to the vote, there is to be a discussion of the impact of a vote going in either direction. Experience teaches that at this juncture, alternatives will be proposed and debated, consequences explored on a number of variables and positions modified or amended. None of what occurs at this stage can reasonably be foreseen or adequately reflected in the vote notice. Without actual participation at this preliminary stage, a CLEC may not be fully aware of the implications of its vote. To allow the OIS voting to fulfill its intended purpose, the Commission believes that the largest possible number of

qualified CLECs - who by virtue of meeting the set qualification criteria are in the position of being affected by a vote - should make an informed choice based on deliberations prior to deciding whether to participate in the actual vote.

That said, we do not find Ameritech's reasoning for the quorum requirement compelling. Despite Ameritech's overarching concern surrounding the possibility that the decision of one CLEC would affect many CLECs in many regions, the likelihood of this occurring is minimal. If an issue is brought to an OIS vote without a quorum requirement in place, it is the responsibility of the CLEC to participate in the deliberations to determine how the change will affect it, and participate in the OIS vote accordingly. Whether or not we institute a quorum requirement, it is incumbent upon a "qualified" CLEC to participate in a vote, to the extent they are affected by said change. The difference is, that under Ameritech's proposal, the CLECs are obligated to participate to effectuate a quorum and without a quorum requirement CLECs would be responsible for participating in the OIS vote to protect the interface they use to conduct business with Ameritech. Either way, the CLEC has a vested interest and an obligation (whether it be implicit or explicit) to participate in an OIS vote. The Commission believes that business interests should provide sufficient incentive to bring about the desired participation described above.

The Commission also shares the concerns of CLECs and Staff that the practical effects of AI's quorum proposal will be to silence the CLECs who have grave concerns about the impact of a proposed change. Although the Commission finds that CLECs possess the necessary incentive to participate without a quorum requirement, if participation is less than expected for a particular issue, CLECs' concerns should not be silenced due to a lack of quorum. Furthermore, the Commission concludes that after weighing its options, if a "qualified" CLEC chooses not to participate in the OIS vote, it should not be forced to do so, and its abstention will not count in Ameritech's favor.

The Commission, therefore, rejects Ameritech's proposed quorum requirement. The outcome of an OIS vote will be determined by the majority of "qualified" CLECs participating in the vote. The Commission believes this rule will better encourage each of the concerned parties to participate.

AT&T, CoreComm and WorldCom complain of not knowing the number of qualified CLECs in any voting situation. (Joint CLEC Brief on Exceptions at 12). This situation, however, is not created by Ameritech, but by the fact that the exact number of qualified CLECs may vary by vote. Therefore, we do not know today what the exact number of qualified CLECs may be in each voting situation. This predicament is

exacerbated by the confidentiality concerns of some CLECs. However, this problem is remedied by having the vote notice include, not the names, but only the number of qualified CLECs eligible to participate on the vote. Further, according to Ameritech, the notice of a vote is sent out electronically such that any CLEC could communicate with all other recipients by simply sending a "reply to all" email message. Therefore, to facilitate communications among OIS participants and to satisfy CLEC concerns of confidentiality, the Commission concludes that the notice of a vote shall be distributed electronically (i.e., via email) and shall include the number of qualified CLECs eligible to participate in the vote.

In fairness, it is worth noting that in Docket No. 19000, the Presiding Officer of the Public Utility Commission of Texas found that a quorum requirement is reasonable "to avoid a situation where a disproportionately few CLECs can determine the implementation of a new release." With more particularity, it was determined that for the August 14, 1999 Release then under consideration, "a 50% quorum threshold is appropriate." So too, the negotiated CMP between CLECs and Pacific Bell, submitted as a Joint Stipulated Agreement, was approved by the California Public Service Commission on November 4, 1999 in its OSS investigative docket. In those agreed provisions, the CMP sets out a quorum requirement of 2/3 of qualified CLECs for OIS voting. In addition, the CMP filed in Texas and favorably received by the FCC upon its review, contains a quorum requirement of 50% for voting. See, Texas 271 Order (all cites above). Despite these rulings in other jurisdictions, this Commission declines to follow suit. For the reasons explained above, we are not convinced that a disproportionately few CLECs can determine the implementation of a new release. Furthermore, this Commission is not obligated to provide a ruling consistent with the Texas and California Commissions. These were decisions made in other jurisdictions with a separate body of evidence. Likewise, as noted by Corecomm and Joint Respondents[3] in their Responses to the Hearing Examiner's Ruling of December 12, 2000, this Commission is not obligated to follow the lead of the 13-state CMP document.[4]

[3] Joint respondents in this instance refers to Worldcom, Inc., McLeodUSA Telecommunications Services, Inc., Birch Telecom of the Great Lakes, Inc., and Nextlink Illinois, Inc. d/b/a XO Illinois, Inc.

[4] Section 2.2 of the final 13-state CMP document (as modified by the compromise) states: "This document applies to SBC and all CLECs operating in Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin. State-by-state variances shall be implemented in accordance with whatever methods or procedures are ordered by the individual state public service commissions. (emphasis added). *See Corecomm's Response to Hearing Examiner's Ruling of December 12, 2000 at 3.*

Finally, Staff has recommended that the OIS voting process be reviewed six and twelve months after final approval of the CMP to determine if any adjustments are needed. (Staff Brief on Exceptions at 9). The Commission concludes that, considering the importance of the OIS voting issue, Staff's review proposal is reasonable and is accepted. These reviews will provide an opportunity for this Commission to compare and contrast the OIS voting process under its instant ruling with those jurisdictions that chose to proceed under a quorum requirement.

~~Notably, none of the parties addressing this issue rely on any authority or settled principles in setting out their respective viewpoints and positions. Nor has any real expert testified on the matter. In order to resolve this issue on some reasonable, informed and impartial basis we turn to the fundamental principles of parliamentary law as set out in Roberts Rules of Order and in the case law.~~

~~Parliamentary law was established to guarantee that the will of the majority would prevail while the rights of the minority were protected. It is used at all levels of government from Congress and the House of Representatives to state, municipal and village assemblies. In 1876, Henry Martyn Robert completed the task of adapting those basic principles to apply to the specific needs of running a club, service organization or school meeting, The rules he established apply as readily and necessarily to the workplace and business setting and have value for our purposes. It is not the rules themselves so much as the underlying principles and experience behind these rules that guide us.~~

~~Most people have been educated under a system of parliamentary law peculiar to this country and, knowingly or not, adhere to its principles. When Staff urges the parties to exercise "good faith" and allow for the "free exchange of ideas and information" it is actually recognizing these age-old principles. (These concepts clearly come into play during the debate on the vote). When Al speaks of a certain "comfort level" that comes about from having a quorum to partake in the vote it is, in reality, espousing the precepts of parliamentary law. (Tr. 78).~~

~~Here, the OIS vote is presumed to be one of a body - the body of qualified CLECs. As such, the outcome of the vote should be, as nearly as possible, representative of that body.~~

~~All parties agree that when a vote is called, a majority of that vote should determine the outcome. For a majority vote to be valid, however, we are informed that there must be a quorum present. Indeed, it has been the rule for all time that when a quorum is present, the act of the majority of the quorum is the act of the body. U.S. v.~~

Ballin, 144 U.S. 1 (1891); Rock v. Thompson, 85 Ill 2d. 410 (1981). So too, if all members of the select body have been duly notified and the minority refuse or neglect to meet with the others, a majority of those present may act, provided those present constitute a majority of the whole. Brown v. District of Columbia, 127 U.S. 579 (1888). We have not been directed to, nor have we found any authority which condones action taken in the absence of a quorum. Indeed, the definition of "majority vote" found in Roberts Rules of Order and cited in County of Kankakee v. Eugene Anthony , 304 Ill. App.3d 1040 (3rd Dist, 1999), provides:

> The word majority means "more than half" and when the term majority vote is used without qualification it means more than half of the votes cast by persons legally entitled to vote, excluding blanks or abstentions, at a regularly or properly called meeting at which a quorum is present. RRO Sec. 43, at 395 (9th ed. 1990)(emphasis added).

To be sure, the number of participants needed to constitute a quorum will vary based on a number of factors in any given situation. Unless there is a special rule on the subject, a quorum is generally a majority of all members. We are not directed to, nor have we found any authority for dispensing with a quorum requirement altogether. According to one commentator, many small organizations specify that a quorum is the largest number of people who can be relied on to attend. See, 21st Century Robert's Rules of Order, edited by The Princeton Language Institute (1995) at page 153. This appears in the CLEC and Staff view that, vote participation is expected to be minimal based on the level of participation in this proceeding. We are informed that only about 10 of some 300 CLECs eligible to participate in the collaboratives took part in those meetings. We are not advised, however, if it were the same participants each time or if the number varied defending on the matters in discussion. In any event, that 300 number is not telling for present purposes, nor do the CLECs attempt to fashion any quorum requirement on this basis.

In the situation at hand, the quorum number would not and should not arise on the basis of the entire CLEC population (i.e., that 300 number), but only from the number of all "qualified' CLECs, i.e., those meeting the agreed-upon criteria to vote on a particular issue. We do not know today what that exact number may be in each voting situation. It may also be the case that the number of CLECs eligible to vote is not a constant number. It is too early to make that call. Staff appears to know this, and hence has recommended that the process be examined from time to time to see how it is working and what, if any, adjustments are needed. More specifically, Staff proposes

~~that a review be taken six months and again twelve months, after the final approval of the CMP. (Staff Brief on Exceptions at 10). This is appropriate.~~

~~Looking to support their position, the Joint Small CLECs maintain that an OIS vote is akin to a "mass meeting" of an unorganized group and, under Roberts Rules, a quorum at such meeting consists of those who attend the meeting since they constitute the entire membership at that time. (Joint Small CLECs Brief on Exceptions at 18). So too, the Joint Small CLECs suggest that the OIS vote situation is analogous to a society with a "loosely defined membership." According to Roberts Rules, these CLECs contend, the attendees in such a group constitute a quorum because they are the entire group for the purposes of that meeting, (Id. at 19, fn 4). While the rules here cited are correct, the positions that the CLECs would derive from them, lack merit in these premises.~~

~~The voting membership for the OIS, is a group certain and limited, and consists only of those CLECs that meet certain specified requirements. This is far unlike a mass meeting, where the number of persons present constitute the "entire membership" at that time. As such, the only authority the CLECs could muster for their position fails under its own terms.~~

~~AT&T and other CLECs contend that if no vote occurs for lack of a quorum, AI is free to implement a "flawed change" to its OSS systems. (Joint CLEC Brief on Exceptions at 10). This assertion is not valid or well considered. The proposed change might only be perceived as "flawed" by the CLEC who is calling for a vote. If it is otherwise, there surely will be no problem in getting a quorum to stop the proposed change. (This stems from the premise that if a release is truly flawed, it is unlikely to be flawed for only one CLEC). Yet, even as to the single CLEC, AI points out, all is not lost. With the availability of versioning (as provided for in Issue 1), that one CLEC could simply use the previous version of the interface until the alleged flaw is resolved.~~

~~The CLECs take the pessimistic view that a quorum as previously defined by AI (50% or 8) would hardly ever be present on a vote which they base not on attendance at CMP meetings but only on the attendance at the collaboratives that preceded this arbitration. These situations are not one and the same. As AI noted in its Brief on Exceptions, CLECs are more likely to pay more personal attention to concrete and imminent changes that directly affect their systems and business than to discussions of abstract plans that others may competently cover. (AI Reply Brief on Exceptions at 20).~~

~~AT&T, CoreComm and WorldCom complain of not knowing the number of qualified CLECs in any voting situation. (Joint CLEC Brief on Exceptions at 12). This~~

~~concern is easily remedied by having the vote notice include, not the names, but only the number of qualified CLECs eligible to participate on the vote.~~

~~In its Reply Brief on Exceptions, AI amended its proposal in this cause to reflect the just agreed-upon regional quorum requirement. In the regional OIS voting situation, which AI would have be the standard in Illinois, a quorum is defined as the lesser of the following indicators:~~

~~2. 50% of the number of~~
~~2. six (6) qualified CLECs; or~~
~~2. the average number of CLECs in attendance at the last three regional meetings.~~

~~The CLECs and Staff were given the opportunity to respond to AI's filing. While rejecting the idea of a settlement on the basis of these modifications, these entities scarcely touch on the merits of AI's latest proposal.[5] To be sure, CoreComm does not dispute that these changes "are an improvement" over the terms they replace. (CoreComm Response to the Hearing Examiner's Ruling of December 12, 2000 at 5). According to CoreComm, however, the changes do not answer the question whether AI should have the power to implement a change to its OSS interface over the objection of "some number" of CLECs. (Id.) Notably, CoreComm does not describe what that "some number" might or should be. CoreComm further contends that AI's recent modifications still allow AI to overrule the opinion of "multiple CLECs" simply because the CLECs were unable to gather a quorum. Again, it does not define multiple CLECs against the number eligible to vote. As its last word, CoreComm believes that an OIS issue that is determined by a single CLEC vote best represents the opinion of all qualified CLECs. (Id. at 6). We disagree.~~

~~As we see it, the OIS vote is for the benefit of the qualified CLECs as a group, not simply for the benefit of a single CLEC. Otherwise, there is no need to call a vote because in such a situation, a CLEC is given veto power. With respect to the one CLEC vote situation, we note Staff's observation that the vote of the smallest CLEC, serving only a few customers is equal to that of the largest CLEC, which might serve hundreds of thousands of customers. (Staff Brief on Exceptions at 28; addressing Issue 9). No CLEC speaks to the inequity inherent in this scenario.~~

[5] Birch Telecom, one of the Joint Small CLECs, informs us by letter dated December 21, 2000, that it views the OIS voting issue as settled. According to Birch, it incorrectly joined in the CLEC response which states otherwise.

~~Plainly speaking, this is not a CLEC vs AI issue like the Staff and the CLECs would make it out to be. It is essential to remember that it is the CLEC, and not AI, that calls for a what is essentially a "no go" vote. It is the CLEC, and not AI, that has the right to participate in the vote, It is the CLEC, and not AI, that decides whether or not to actually participate in the vote.~~

~~On the basis of the foregoing, the reasonable inference to be derived from the CLEC failure to participate in a vote is that it does not support the proponent of the vote, i.e., another CLEC. Under this dynamic, it is important that the vote which ultimately takes place, is at least somewhat representative of the community of qualified CLECs and not just a reflection of the minority view. In this regard, we accept and are guided by the well-settled principle that holds:~~

> ~~the requirement of a quorum is a protection against totally unrepresentative action in the name of a body by an unduly small number of persons. (Robert's Rules of Order, Newly Revised (10th ed.), p. 20, l. 9-11).~~

~~Thus, while the CLECs are willing to accept the consequences of a vote under their proposal and even if it be determined by a single CLEC, we are not so inclined. By no stretch of the imagination, could this be considered "voting." It is nothing more or less than the exercise of veto power.~~

~~Moreover, in deciding the appropriateness of a quorum requirement for OIS, it is the debate and deliberations, as much as the actual vote, that concerns us. Prior to the vote itself, there is to be a discussion of the impact of a vote going in either direction. Experience teaches that at this juncture, alternatives might well be proposed and debated, consequences explored on a number of variables, and positions modified or amended or shifted. None of what occurs at this stage can reasonably be foreseen or adequately reflected in the vote notice - it follows, by nature, from the process.~~

~~Without actual participation at this preliminary stage, however, a CLEC cannot know what is really at issue when the time comes for the actual vote. Nor can a CLEC be really sure if it is interested in either pursuing or waiving its voting rights or acceding to the will of those who do participate.~~

~~We believe that the largest possible number of qualified CLECs - who by virtue of meeting the set qualification criteria are in the position of being affected by a vote - should make an informed choice based on the debate before walking away from the actual vote. To this end and in our view, a quorum requirement is the only way to~~

~~ensure such meaningful participation. The courts confirm that the purpose of a quorum requirement is to have a certain number of persons convene and "consider." Textron, Inc. v. American Woolen Co. 122 F. Supp. 305 (1954).~~

~~While we independently determined the propriety of a quorum requirement in the instant matter, the Commission notes that there is outside support for our decision. In each and every instance to which we have been referred, and where a voting rule was considered, the authority deciding the question or approving an agreement determined a quorum requirement for voting to be appropriate. Thus, in Docket No. 19000, the Presiding Officer of the Public Utility Commission of Texas found that a quorum requirement is reasonable "to avoid a situation where a disproportionately few CLECs can determine the implementation of a new release." With more particularity, it was determined that for the August 14, 1999 Release then under consideration, "a 50% quorum threshold is appropriate." (Texas PUC, Docket No. 19000, August 14, 1999). So too, the negotiated CMP between CLECs and Pacific Bell, submitted as a Joint Stipulated Agreement, was approved by the California Public Service Commission on November 4, 1999 in its OSS investigative docket. (California PUC, Decision No. 99-11-026, November 4, 1999). In those agreed provisions, the CMP sets out a quorum requirement of 2/3 of qualified CLECs for OIS voting. In addition, the CMP filed in Texas and favorably received by the FCC upon its review, contains a quorum requirement of 50% for voting. (See, Texas 271 Order, FCC 00-238, CC Docket No. 00-65, para. 112). Neither the CLECs nor Staff attempt to address or distinguish any of this authority.~~

~~According to the exceptions filed by the Joint Small CLECs, the issue is not whether a quorum should be required, but rather how the number that comprises a quorum is to be determined. (Joint Small CLEC Brief on Exceptions). We cannot agree more, yet, no CLEC has proposed any quorum number for us to consider.~~

~~In the Joint Small CLECs' view, the practical effects of AI's quorum proposal will be to silence the CLECs who have grave concerns about the impact of a proposed change. We do not agree. Each of those concerned parties will participate, and could through notice or other means garner support for their situation. If the CLECs contemplate settling disputes by vote - and not by veto power - then they must accept the democratic processes attendant to a meaningful and informed vote.~~

~~In the final analysis, we find AI's final proposal that a quorum be required consisting of 50% of those CLECs qualified to vote on a particular feature, or 6 CLECs~~

~~or the average of CLEC attendance at the last three regional CMP meetings, whichever is less comports with sound legal principles. It is reasonable for the purposes at hand and the language AI proposes for this dispute is accepted.~~

Issue 6:
OSS System Interface Availability.

Should AI be directed to make ordering and maintenance and repair interfaces available 24 hours a day, 7 days a week, and with pre-ordering interfaces available at the same time as ordering interfaces?

Addressed by: AI, Staff, Joint Small CLECs, WorldCom, and CoreComm and AT&T

Background

AI uses large "mainframe" computers (as opposed to the personal computers that individuals might use for routine work) to perform OSS functions and store related data. AI takes its OSS computers and databases off-line, according to a regular schedule, to perform routine maintenance and upkeep. (AI Initial Comments at 26). These maintenance activities are performed overnight and on weekends to minimize the impact on customer service. The activities performed include:

- Database reorganization: cleaning the remnants of deleted files, and reorganizing the remaining files in the most efficient layout;

- Database image copies: copying information to a backup location;

- Scrub: a technique to update a large number of database records for a single event (for example, changes in municipal charges to customers in a given area). (AI Initial Comments at 26, 31-33)

While these maintenance activities, vital to the efficient and reliable functioning, are underway, the computers are unable to process transactions and thus, are unavailable for use by CLECs or by AI retail personnel alike. *Id*. The issue here is how much time is to be set aside for maintenance, or conversely, how many hours each day the systems are to be available for use.

Figure 3 included in AI's Final Comments and set out below, outlines its proposal for the scheduled hours in which three OSS functions at issue (pre-ordering,

ordering, and repair and maintenance) will be made available to CLECs. For purposes of comparison, AI's Figure 3 also shows the retail hours of availability for these functions.

Figure 3 AI's Proposed Hours of OSS Availability (Issue 6)

FUNCTION	RETAIL HOURS OF AVAILABILITY	PROPOSED HOURS OF AVAILABILITY FOR CLECs
Pre-ordering		
Monday - Friday	6 a.m. - 10 p.m.	6 am - 10 p.m.
Saturday	7 a.m. - 7 p.m.	7 a.m. - 7 p.m.
Sunday	As functions are available	As functions are available
Ordering		
Monday- Friday	6 a.m. - 10 p.m.	6 a.m. - 1 a.m.
Saturday	7 am - 7 p.m.	6 a.m. - 1 a.m.
Sunday	Not available	6 a.m. - 1 a.m.
Repair: POTS		
Monday - Friday	24 hours	24 hours *
Saturday	24 hours	24 hours *
Sunday	12 mid. - 12:30 a.m. 6:30 a.m.- 12 mid.	12 mid. - 12:30 am (phone, fax) 6:30 a.m.- 12 mid.* (electronic, phone or fax)
Repair: Specials		
Monday - Friday	2:30 a.m. - 12 mid.	2:30 a.m. - 12 mid.
Saturday	2:30 a.m. - 12 mid.	2:30 a.m. - 12 mid.
Sunday	2:30 a.m. - 12 mid.	2:30 a.m. - 12 mid (phone, fax) 4:00 a.m. - 12 mid. [1/] (electronic)

[6/] By electronic interface and/or by telephone, as described below.

The OSS function availability at issue between AI and the CLECs concerns:

1. pre-ordering;
2. ordering; and
3. repair and maintenance.

As a general proposition, the CLECs seek 24 x7 availability and access to all these three functions. In what appears to be an alternative position, they seek to have pre-ordering functions available during the same hours as ordering functions.

The real question is how much time needs to be set aside for maintenance of the systems and correspondingly, how many hours are left available for CLEC and AI use.

AI Position:

According to AI, its proposal gives CLECs at least as many hours of availability as, (and in the case of ordering, more hours of availability than) AI gives its own retail operations. AI maintains that the 24-hours-a-day, 7-days-a-week, availability for all OSS functions which the CLECs would have be operative is far too costly to implement.

Ameritech is offering to increase the availability of its "ordering" systems to 133 hours (from 6am to 1am, central standard time, 7 days a week). Both the pre-ordering and maintenance and repair interfaces hours of availability would also be expanded. AI's contends that its OSS architecture was not designed for and will not support "continuous availability" (24x7) because of the need for system downtime hours for regular maintenance and upgrade activity. Furthermore Ameritech believes that comparing their hours of availability to those of Verizon is completely inappropriate. Ameritech states that differences in availability between the ordering and pre-ordering interfaces is due to the fact that different systems are involved. According to Ameritech, all hours of availability are equal to or even exceed those for Ameritech's own retail operations. Moreover, even when the maintenance and repair interface is not available, repair orders can be place manually with a telephone call to the Ameritech Wholesale Local Operations Center.

AI is also working on developing a new schedule such that at least some pre-ordering function time would be available to CLECs on Sundays.

CLEC Position:

The CLECs maintain that there is a substantial difference between the hours pre-ordering systems are available and the hours ordering systems are available. The CLECs assert the need for uniformity in the hours of operation of pre-ordering and

ordering systems because the preordering functions support ordering capability. (Tr. at 277) Where hours of system availability differ, the CLECs claim, it is difficult for them to accurately complete an order, and efficiency is reduced. CLECs further believe that the hours of availability for Ameritech's maintenance and repair systems are not acceptable.

According to WorldCom, the Commission should direct Ameritech to provide extended and synchronized hours of operation for both pre-ordering and ordering systems. Specifically, the Commission should order Ameritech to provide access to pre-order, order and maintenance and repair systems 24 hours a day, 7 days a week (24x&), allowing for one or two hours a month during off-hours for maintenance down-time for each system. (WorldCom Final Comments at 2-7) Alternatively, Ameritech should be ordered to provide the same system hours of availability that Bell Atlantic (Verizon) provides in New York and Philadelphia and that GTE will be required to provide in Ill. (WorldCom Initial Comments at 8-9).

In addition, WorldCom asks that AI be directed to notify CLECs of emergency system outages via pager and electronic mail and to provide at least 30 days advance notice when a particular system needs maintenance outside of a regularly scheduled maintenance window. (FC at 7).

CoreComm adds the argument that longer ordering hours as proposed by Ameritech are useless without longer pre-ordering hours.(CoreComm Initial Comments at 7-10). According to CoreComm, Ameritech has offered no substantial reason why the hours cannot be the same. The Joint Small CLECs also ask that the Commission order AI to provide extended hours of operation for its pre-ordering and ordering systems. (Joint Small CLECs Final Comments at 21-24)

Staff Position:

On the basis of its inquiry into the matter, Staff is of the opinion that, while providing OSS service 24 x 7 may be technically feasible, it would not be cost effective. (See, Staff Final Comments at 33-34). The additional efficiencies to be realized do not, in Staff's view, justify the costs.

According to Staff, the issue is how to best maintain the system while at the same time maximize the CLEC access to the system in a manner comparable to that of AI. Staff acknowledges that Ameritech's system is complex and in need of some down time for maintenance. Nevertheless, Staff looks at the practices of Verizon and Bell South as evidence that ILECs can successfully operate with minimum downtime. Staff recommends that Ameritech set out a certain date and a format by which it will notify CLECs of times when its OSS system will be inaccessible for repairs, maintenance or upgrade.

With greater specificity, Staff recommends the following:

Action:

(a) AI should not be required to provide OSS accessibility 24X7, but the Commission should require AI to offer Saturday and Sunday hours for all interfaces – pre-ordering, ordering and maintenance and repair.

(b) AI should be required to provide access 140 or more hours per week to both the pre-ordering and ordering interfaces. The increase in hours of access should be gradual, but the transition period should not exceed six (6)months. At the end of the six month period Ameritech should provide accessibility for ordering and pre-ordering between 6am and 1am for every day of the week.

(c) AI should establish a regular maintenance and repair interval for all days of a month and post it on its website as an accessible letter. The posting should appear on the 1st "working day" of each month for the following month (i.e., AI should post September 2000 network maintenance times on August 1, 2000). This will allow wide dissemination and facilitate easy access by the CLECs and allow them to plan their time around the maintenance and repair hours rather than being dependent on Ameritech's schedule. Staff recommends that maintenance and repair work be conducted between 1am and 5am. (*See* POR at 66.)

(d) Pre-ordering and ordering interfaces should be available concurrently. In the alternative, if the pre-ordering and ordering interfaces cannot be provided concurrently at all times, then the pre-ordering interface should be granted the longer duration. AI should gradually expand the hours of availability for both the pre-ordering and ordering interfaces from its current 133 hours a week to 140 hours a week over a 6-month period. (*See* POR at 65.) The hours should be between 5am and 1am as opposed to Ameritech's proposal of 6am-10pm for the pre-ordering interface and 6am-1am for the ordering.

Reporting

Staff recommends that the Commission require AI to provide a monthly report, verified by a company officer, on changes to the hours of availability for all domain areas. AI should provide this report to the Commission no later than the 15th of each month. Any changes from the previous monthly report regarding the same should also be noted and an explanation should be provided for those changes. In its Brief on Exceptions, Staff requests that each such report be filed with the Chief Clerk of the

Commission in a form suitable for posting to the Commission's web page. Staff also recommends that the Order specify that all such reports will be public records available for inspection and copying.

Analysis and Conclusion

Here, the Commission is put in the position of balancing the need for system maintenance (AI concern) with the need for system availability (the CLEC concern). In so doing, we note at the outset, that AI's proposed hours of availability for each of the different functions at issue is either the same or greater than what is currently available for its retail operations.

CLECs tell us that a truly competitive market, however, would allow CLECs to make the decision when to serve their customers, regardless of how AI decides to serve its retail customers. The current hours of availability, these CLECs claim, force them to mimic AI's inefficient practice of not processing pre-orders, and consequently orders, on Sunday. They want 24 x 7 availability.

In reviewing the record, we trust Staff's determination (based on its review of discovery documents) that 24x7 availability is wholly cost-prohibitive and also take account of AI's assertion of insufficient customer demand to support such an economic burden. (See Staff Final Comments at 33-34; Tr. 235). Hence, we reject the CLEC push for this option.

Nearly all of the CLECs addressing this issue also ask that we require AI to provide expanded hours of availability to its pre-ordering and ordering systems. They further maintain that the hours for pre-ordering should be the same (and synchronized with) the hours of availability for ordering. The CLECs explain that the need for expanded pre-ordering time is to enable them to work on rejected orders.

Staff contends that AI should make both pre-ordering and ordering available concurrently, or in the alternative, pre-ordering should be available for a longer period than pre-ordering. Staff relies on the CLEC position and states that it is "illogical to offer extended hours for the ordering interface but not the pre-ordering interface, since the pre-ordering interface needs to be accessed to prepare orders in the first place."

AI explains that the ordering maintenance process allows for more hours of availability because different systems are involved. The reduced maintenance needs, (and consequently the greater availability) of ordering time explains why synchronization is impossible. The only way for AI to keep these functions on an equal footing, it says, would be to reduce ordering availability to the hours available for pre-ordering.

In its Brief on Exceptions, Staff acknowledges that the maintenance requirements of the pre-ordering interface may prohibit AI from increasing the available hours of the pre-ordering and ordering interfaces on a synchronized basis but that until AI completes its analysis of the maintenance requirements of its pre-ordering systems, it is premature to accept AI's assertions, without support, that such synchronization is infeasible. Furthermore, Staff contends that AI has the burden of proof with respect to the technical infeasibility of synchronization since AI is the only party with knowledge of, and access to, its systems. Notwithstanding its contention that AI has failed to satisfy its burden of proof, Staff nevertheless recommends that AI be permitted the opportunity to offer supplemental evidence supporting its assertions as to such technical infeasibility, citing equitable concerns including the expedited nature of these proceedings and the resulting demands upon the parties hereto, as well as the lack of harm in providing such opportunity due to the ongoing nature of the deployment and implementation of AI's operational support systems pursuant to the Merger Order

We find reasonable AI's argument that reducing the amount of maintenance on a system might add a few hours of availability, but it would likely reduce performance and processing speed when most needed. In light of there being no evidence contradicting or supporting AI's assertions that synchronization is impossible, we agree with Staff and hereby order AI to finalize its analysis of the maintenance requirements of its pre-ordering interfaces and to report its findings to Commission Staff and the CLECs within one (1) month after the adoption of this Order. Such report shall include supporting evidence justifying AI's assertions in this proceeding that synchronization of the ordering and pre-ordering interfaces is impossible due to the different maintenance needs of the different systems involved in such interfaces. In the event such report indicates that greater synchronization is possible, AI is hereby ordered to synchronize such systems accordingly over the next six (6) months after the adoption of this Order, to the extent technically feasible. Furthermore, as we understand AI's commitment, it will make pre-order functions available to CLECs on Sundays, at times when those functions are not undergoing maintenance. Indeed, AI states that it is currently in the process of developing a set schedule of such availability times. Thus, WorldCom's reasonable request for "some Sunday availability" is being addressed by AI at this instant.

By our math, we see that 24 x 7 availability translates into 168 hours per week. Under AI's proposal it is offering CLECs 133 availability hours for "ordering." AI's Figure 3 indicates that its retail hours of availability for "ordering" only total 82 hours. Thus, CLECs are clearly getting more time. Staff recommends 140 hours. For " pre-ordering" AI offers CLECs a firm 92 hours of availability the exact same as is available to its retail, but it is also working to add in some Sunday hours for the CLECs.

Of all the proposals on the table, Staff's is the most reasonable and is acceptable with some modification. While it is not clear to what extent the CLECs need

any more hours of availability for ordering, AI will add, gradually, over the next six (6) months, an additional seven (7) hours of availability with respect to its Ordering interface to its weekly schedule. It will keep the Staff and the CLECs informed of its efforts as Staff has recommended. Since we agree with Staff that a reporting requirement is necessary in order to keep the Commission apprised of AI's progress with respect to this Issue 6, the Commission directs AI to verify any and all reports ordered hereunder in the manner and within the timeframe specified by Staff or as otherwise ordered hereunder and in the form required in the Findings & Ordering section of this Order to ensure that AI is on track in meeting its obligations hereunder.

Further, AI tells us that very soon, after it completes its analysis of its pre-ordering maintenance requirements (which shall be completed no later than one month after the adoption of this Order), it will be adding some Sunday availability for each function within its pre-ordering interface, during whatever times any such function is not undergoing maintenance and that, in conjunction with the addition of Sunday hours of availability, AI shall develop a schedule to provide notice, at least a week in advance, of such Sunday availability. In addition to requiring AI to fulfill its commitments set forth above, we hereby require AI to add at least 8 Sunday daytime hours of pre-ordering interface availability (one regular work shift) to the weekly schedule within one month after the adoption of this Order. This will allow CLECs 100 hours of pre-ordering availability in the near term. Over the next six (6) months after the adoption of this Order, AI will study its maintenance needs and set out a plan expanding pre-ordering availability for an additional eight (8) hours to its weekly schedule (above and beyond the eight (8) Sunday daytime hours ordered above), which time corresponds to the ordering hours set forth on AI's proposed schedule. Again, AI will report its actions on the issue to both Staff and the CLECs as provided herein and as included in the Findings and Ordering section of this Order.

Issues 9, 16, 20, 24, 40:
Interface Development Rule

Should CLECs retain the right to further arbitrate any technical interface or process change that passes through the Change Management Process?

Addressed by: AI, Staff, Joint Small CLECs, AT&T, and CoreComm.
Supported by: WorldCom.

Background

CLECs are demanding that AI incorporate into the POR their proposed "Interface Development Rule ("IDR"). The IDR would require that (a) AI provide a mapping document for each release specification "that relates each data element defined in its interface requirements and business rules to its electronic interface specification for

EDI and CORBA"; (b) it provision interfaces to be consistent with the most currently adopted ATIS Local Service Ordering Guide and EDI LSOG Mechanization Specification; and (c) any individual CLEC could block the implementation of any change to an OSS interface or process by bringing its claim to the Commission for arbitration – even if the change has passed the Change Management Process.

The Change Management Process ("CMP") is described as the means by which CLECs are meaningfully involved in the process of introducing new or changing existing OSS interfaces and processes. It grows out of the FCC's merger conditions, and since November 1999, AI has been in negotiations with CLECs concerning a uniform CMP applicable throughout the 13-State AI service area. (FCC Merger Order, Appendix C at ¶32). The result is a near-final document and included as Attachment A to the amended POR filed with the Joint Petition.

The CMP provides milestones and a timeline for the change process (for "releases"), for both application-to-application interfaces and GUIs, including Release Announcements, Initial Requirements, Walk-through discussion of Initial Requirements, CLEC comment periods, AI comment periods, Final Requirements, CLEC joint testing, and Implementation. Figure 2 included in AI's verified Final Comments is a timeline of the CMP for a typical Category One change – *e.g.*, a change to a gateway (application-to-application interface). The various points at which CLECs have input into the process are shaded.

The CMP also specifies release requirements content criteria, the process for Outstanding Issue Solution ("OIS"), the exception process, Points of Contact, versioning, and requirements for posting legacy system changes.

The OIS is a mechanism for resolving disputes, which includes the ability of a qualified CLEC to call for a vote in which AI would not participate. An OIS would come about after a several-month process that would include notifications, comment periods, and discussions in walk-throughs and CMP meetings. OIS vote can be invoked by a CLEC at several points in the CMP. Only "qualified" CLECs may participate in an OIS vote and the CMP in Section 7.4, provides the criteria which determines "qualified" CLECs for each type of OIS.

An OIS vote could result in the delay of a release, the redesign of a requirement(s), or the delay in the introduction or retirement of an interface. A go/no-go vote would take place after CLEC joint testing of a release and prior to release implementation. If a CLEC believes the release software has defects or is not stable, it could request a vote to determine if the release should be delayed until the code is fixed.

CLECs and AI disagree upon the level of business rules/ specifications to be provided during the Phase 2 collaborative process.

AI Position:

Ameritech believes the appropriate manner to deal with disagreements in the future is through the Outstanding Issue Solution process of the CMP. AI contends that the Interface Development Rule would inappropriately allow a single aggrieved CLEC to prevent implementation of OSS interface practices. It further asserts that Condition 29 procedures do not permit the arbitration of the specification/business rule issue in the context of Phase III, but rather afford the remedy of arbitration only where issues exist relating to implementation.

AI, however, agrees to provide the requested ”mapping“ as part of the CMP with the initial requirements and the final release requirements. (Tr. 173). It states that this obligation is already referenced in the POR Exhibit at 67. AI cannot agree that every release will track the most recent guideline, nor can it agree that it would be in the public interest to permit individual CLECs as a general rule to block the implementation of a releases that have passed through the Change Management Process.

CLEC Position:

The CLECs argue that AI has failed, in the course of the collaborative process in this docket, to disclose with sufficient particularity, detailed specifications and business rules for its proposed OSS interfaces and enhancements. This failure, the CLECs assert, has prevented them from making any determination regarding how the interfaces and enhancements will function, which in turn prevents them from designing their own corresponding systems and procedures to operate on their side of the OSS interface. The CLECs argue that AI was required, under Condition 29 of the Merger Order, to provide this information to them in the course of the collaborative process; they cite, in support of this proposition, a letter dated February 17, 2000, in which Chairman Mathias gave his opinion that AI was required to provide the information with the specificity and particularity sought by the CLECs.

The CLECs state that, since AI has failed to provide detailed specifications and business rules for its proposed OSS interfaces and enhancements, they cannot accept the Plan of Record. In the interests of moving forward, however, they propose an “Interface Development Rule,” which, if adopted, would establish a process for resolving these issues, as follows:

- AI provides the detailed specifications and business rules which the CLEC seeks, simultaneously providing a document which “maps” the specifications and rules to the relevant business standards;

- AI and the CLECs engage in expedited collaborative discussions to resolve those disputes regarding the specifications and business rules which can be resolved;
- Issues remaining in dispute at the conclusion of the collaborative discussions are submitted to the Commission for arbitration under the Phase III arbitration procedures established by Condition 29.

The CLECs urge the Commission to adopt the IDR pursuant to which, the CLECs will be authorized to arbitrate unresolved issues under Phase III procedures. Generally, the IDR would allow CLECs to initiate an expedited arbitration with this Commission two weeks after the specifications have been released (or two weeks after a Commission order in the proceeding adopting the IDR, whichever is sooner) if the CLECs believe that these specifications are at odds with the commitments listed in the POR. According to the CLECs, they have the right to arbitrate

Staff Position:

According to Staff, Condition 29 specifically affords CLECs the remedy of arbitration. Had AI provided all of the detailed specifications and business rules for OSS in this collaborative process - the CLECs would have had the right to arbitrate any disputes relevant to that information.

In its Brief on Exceptions, Staff claims that the CMP is no substitute for arbitration for the reasons that: (1) it does not offer third-party resolution of the issues - only a vote; and, (2) does not allow CLECs to require the implementation of changes - only to prevent changes taking place. (Staff Brief on Exceptions at 28).

On the basis that AI has failed to provide all of the detailed specifications and business rules sought by the CLECs in this proceeding, Staff recommends that the Commission adopt, in part, the CLECs proposed Interface Development Rule.

Staff notes that the CLECs propose a “mapping” requirement, which the Staff interprets as calling for a showing of the correlation between AI specifications and practices, and industry standards. While the Staff does not endorse this aspect of the proposal, the CLECs and AI, however, appear to have concluded an agreement, pursuant to which AI will provide some form of “mapping”, an agreement which the Staff has no reason to oppose. (Tr. at 173-74).

Analysis and Conclusion:

The Commission, in its ~~To be sure, in the~~ Illinois Merger Order, ~~the Commission~~ intended that the parties work to reach agreement on OSS interfaces, enhancements

and business requirements identified in AI's POR. The Order also contemplated that, to the extent that agreement could not be reached, a list of issues in dispute would be prepared and submitted to arbitration. (See Illinois Merger Order at 253-255). Our Order was reasonable when entered, however, it is also necessary and reasonable to construe its provisions in light of subsequent and unforeseen developments.

As a condition of its merger approval, the FCC ordered the implementation of the CMP with the effect of having the collaborative process continue so as to work out the details of any OSS interface and process changes that could not be determined at the instant. We are informed that the CLECs and AI have agreed on all aspects of the CMP except the quorum issue. (Issue 4 above). Indeed, the CMP is referenced in the POR at hand and has been filed as part of the original pleading for this case.

AI tells us that the arbitration measure that the CLECs proposed IDR would allow, cannot be reconciled with the CMP. (AI Final Comments at 50). Given the existence of a solid CMP in which all the CLECs concur, AI contends that the proposed IDR should be considered anti-competitive to the extent that it would allow a single CLEC to stop a release that has been passed by other CLECs through the CMP. According to AI, a CLEC with significant resources could use this process to potentially disadvantage its competitor by delaying the implementation of functionalities that could benefit them.

It is undisputed that AI has not yet provided detailed business rules or specifications with respect to its planned enhancements and that precludes litigation in this proceeding. It will, however be providing the requested details under terms of the CMP. In this regard, AI explains that within the CMP negotiations, AI and the CLECs agreed to the timeline which allows for nearly a 150 days interval between the issuance of specifications and the delivery of the enhancement. (nearly 5 months). In line with this agreement, AI states that the detailed specifications for the March 2001 release were issued on October 13, 2000, on time and in the manner provided for under the CMP (AI Reply Brief on Exceptions at 34). The CLECs state this is true, and that they are still reviewing the sufficiency of these specifications. (Brief on Exceptions of the Joint CLECs, AT&T, WorldCom and CoreComm at 23, footnote 18). This last bit of information tells us that the agreed-upon CMP processes are viable and being followed.

Moreover, according to AI, there is a critical trade-off between releasing the specification far in advance of implementation and being able to make changes to accommodate new CLEC needs or demands. AI tells us that once specifications are released, carriers rely on that information to make changes to their systems. If the specifications are issued too early, some CLECs will act on the original document. Their efforts would be put in jeopardy, however, if any desired changes to the specifications by other CLECs, are ultimately implemented.

~~If there were no CMP in place, and consequently, no means by which the CLECs could raise and resolve their issues related to the presently unavailable specifications, then resolution of this issue would be simple (and undoubtedly favor the CLECs). No CLEC, however, has voiced such a claim. Instead they simply assert an entitlement to arbitrate under Condition 29.~~

As a general statement, AT&T claims that diverting the issues from the POR to the CMP dilutes the protections available to CLECs under Condition 29. (AT&T Final Comments at 32). It does not explain how or offer any supporting analysis.

The Joint Small CLECs assert that the specifications necessary to evaluate AI's proposed OSS improvements should have been provided during the OSS collaboratives, which would have allowed for a robust discussion of the proposals. It is imperative, they claim, for the CLECs to have a meaningful opportunity to address their concerns.

Without the ability to timely and effectively challenge the specifics of AI's OSS improvements through arbitration, Joint Small CLECs claim, the protections afforded them by Condition 29 of the merger order would be lost and they could not obtain a timely resolution of any disputed issues. In making these and similar claims, however, CLECs do not explain why the CMP is inadequate to resolve any of the issues. ~~Nor has any CLEC sufficiently explained the benefit of the IDR over the CMP or how the IDR would work alongside the CMP.~~

The Commission decided in its Merger Order:

> [i]f the CLECs and SBC/Ameritech have not reached agreement after…[conclusion of collaborative] sessions … the parties shall prepare a list of the unresolved issues in dispute and submit the remaining unresolved issues in dispute to arbitration by the Commission. Any arbitration shall be conducted before the Commission… [.]
>
> Merger Order at 254.

Based on the foregoing, we decline to order any deviation from our Merger Order or to in any way attenuate CLECs' right to arbitrate. In the Illinois Merger Order, we ordered that CLECs were to have the right to arbitrate issues in Phase 2 of this proceeding. They sought to do so with respect to the question of detailed specifications and business rules for SBC/Ameritech's proposed OSS interfaces and enhancements, and were unable to do so, not because of their refusal to attempt to resolve the issues in the course of collaboratives, and not because the matter was not a proper one for Phase 2 arbitration, but because, and apparently only because,

SBC/Ameritech failed to disclose to any party in this proceeding the detailed specifications and business rules for its proposed OSS interfaces and enhancements. Instead, SBC/Ameritech attempted to interpose the CMP as an adequate remedy with which the CLECs ought to be satisfied. In light of the fact that SBC/Ameritech is entirely responsible for this issue not being either resolved in the collaboratives, or placed at issue for arbitration in this proceeding, we are of the opinion that it would be improper to consider the adequacy of the CMP as a substitute remedy.

Further, even if we were to accept that the question of whether the adequacy of the CMP as a substitute remedy for arbitration were properly before us, we would be compelled to find that it is not an acceptable substitute. The CMP, of which one significant detail was arbitrated in this proceeding, is not a substitute for arbitration. CMP appears to us to be more in the nature of a consensus resolution among CLECs with differing goals and needs, than an independent resolution of parties' rights and responsibilities such as would be provided by Commission arbitration.

While we believe parties should make every effort to resolve their disputes short of arbitration, we accept that this will not, invariably, be possible even where parties negotiate in the best of faith. This is precisely why we provided for arbitration of these issues in the Merger Order and we will not deviate from those decisions here.

~~Thus, the task before us is to determine if the CMP provides a remedy to the CLECs that is equal to what the Illinois Merger Order envisioned.~~

~~In other words, it both reasonable and dutiful on our part to consider the existence and effect of the CMP in determining whether the Phase 2 arbitration we are conducting needs to be left open in order for CLECs to have a remedy for their possible dispute or whether the scope of the Phase 3 arbitration should be enlarged to accomplish this end, or whether the CMP is adequate in setting out a remedy for disputes of the instant type. All the time we keep in mind that the CMP grew out of the FCC's merger order and was not in existence or even contemplated at the time this Commission issued the Illinois Merger Order.~~

~~AI tells us that the CMP is a reasonable collaborative process for present purposes, i.e., settling disputes that might arise from specifications. According to AI, any problems attendant to a release would or should be raised in the CMP. Indeed, AI cautions that it would nullify the very existence of the CMP to permit a change that has already passed through the process, or through an OIS vote, to be reopened again by a single CLEC through arbitration before the Commission.~~

~~As we see it, Phase 2 and Phase 3 issues are settled by arbitration before the Commission and include with the participation of AI. On the other hand, CMP disputes are settled among the CLECs and in final form by a CLEC OIS vote (in which AI does~~

~~not participate). In our view, the CMP appears to extend the collaborative process of Phase 2 for more technical matters and provides a fair and timely means for settling disputes. To the extent that disputes can be worked out among the parties without Commission intervention, that is the optimal choice.~~

~~We are not persuaded by the Staff and CLEC argument that the CMP only allows the protest of a planned OSS enhancement and no opportunity to propose modifications. (Staff Brief on Exceptions at 28; Joint CLEC Brief on Exceptions at 24-25; Joint Small CLEC Brief on Exceptions at 39).~~

~~These assertions are not borne out by the record. To the contrary, it was shown that the CMP is intended to allow for CLEC participation and input at various stages and its provisions offer just such opportunities. The record demonstrates further, that change requests from CLECs were not only received in the CMP, but also that some were implemented as part of the March release. (AI Reply Brief on Exceptions at 36). So too, we observe that in addressing other issues in this proceeding, the CLECs recognize the ability to work out their differences and the details of their proposals through the CMP. (See, Joint Small CLECs Reply Brief on Exceptions at 2; addressing Issue 11).~~

~~To be sure, both the CLECs and AI have agreed on all aspects of the CMP, (with one exception that we have addressed), and, in our view, this process appears to provide for meaningful CLEC input at various stages together with a mechanism that allows disputes to be handled in a fair, timely and efficient fashion. No CLEC has complained of any inadequacy in the CMP process. Nor are they asking that the IDR be used as a substitute for the CMP. By their proposal, we perceive the CLECs to want an additional dispute remedy - not because they are without one but because they feel entitled.~~

In sum, we find that the processes and the remedies agreed to in the CMP do not constitute an adequate ~~and complete~~ substitute for arbitration of ~~any~~ issues that might arise on specification, and, even if the CMP did provide such a substitute, our Illinois Merger Order specifically provides for arbitration. ~~This means that the IDR proposal is rejected.~~Accordingly, we order implementation of the IDR proposal effective upon adoption of this Order.

Issue 10:
Plan of Record/Written Agreement Documentation

Issue: Specific language contained in the revised POR which serves as the written agreement document for the purpose of the OSS Collaborative is in dispute by the parties. The specific sections in dispute are indicated by the language in the POR which has been struck through.

Addressed by: AI and AT&T.

1) Footnotes

CURRENT LANGUAGE: There are footnotes to other OSS collaborative processes conducted as a result of other regulatory agency actions in the Uniform and Enhanced OSS Plan of Record and the Public Service Commission of Wisconsin's OSS Collaborative.

AT&T Proposal: Utilize footnoting to reflect the AI Plan of Record ("POR") revisions that resulted from issues raised and resolved within the Condition 29 Plan of Record collaborative sessions.

AT&T Position: "It is misleading to cite other proceeding issue resolutions within the Condition 29 POR without framing those issues as they were dealt with by parties to those proceedings and the SBC entity involved in them." (Final p. 35, Initial p. 69) AT&T believes it would be onerous and burdensome to incorporate all the documents from the other collaborative sessions.

AI Position: Retain current POR language. "To the extent that the source of these commitments originates from other proceedings with making of the same parties involved in this case, that fact is important to document." (Final p. 52) However SBC has no problem with admitting the complete record from the other proceedings, but notes that this would be burdensome.

Conclusion:

We agree with AI that the footnotes should remain as an important archival reference. AT&T's desire for completeness can be met with reference to the date or docket and can be cited as "See _____" or "See generally _____."

2) CUF Guidelines

Apparently there is no longer a dispute over this language.

3) Phase 3 Arbitration

CURRENT LANGUAGE: POR Section III, Future Method Of Operation; Overview; "The deployment plan will comply with the ICC AI merger conditions and timeline, Phase 2 agreements and Phase 3 arbitration awards."

AT&T Proposed Language: "The deployment plan will comply with the ICC SBC/Ameritech merger conditions and timeline, Phase 2 agreements, Phase 2 and 3 arbitration awards and other ICC arbitration decisions that apply to AI's deployment and implementation of operational support systems." Revised AT&T POR, Attachment A, p. 35.

AT&T Position: AT&T's initial comments did not specify other "ICC" arbitration awards. AT&T argues that it is inappropriate to limit or restrict the controlling authorities for issues that pertain to the implementation of OSS changes to just those suggested by AI's language.

AI Proposed Language: "The deployment plan will comply with the ICC AI merger conditions and timeline, Phase 2 agreements and Phase 2 and 3 arbitration awards."

AI Position: AI agrees that the deployment plan will be subject to any applicable Phase III arbitration Award. However, other arbitration awards may or may not logically apply to the commitments made in this POR. The fact is that those arbitration awards will be enforceable on their own terms. There is no need to pre-judge the applicability of unknown arbitration decisions to this POR.

Conclusion:

Considering the positions and proposals of the parties, we believe that the POR language at issue should be modified as follows:

> "The deployment plan will comply with the timeline directives of Condition 29(A) of the SBC/Ameritech Merger Order and the Phase 2 agreements and Phase 2 and 3 arbitration awards attendant thereto."

4) Reference to LSOG 4

The parties agree that the following language constitutes a proper reference to LSOG 5 for the POR:

> The Ameritech March 2001 ordering and pre-ordering releases will be based on OBF LSOG 4. Where guidance exists in LSOG 5 but not in LSOG 4 for functionality to be implemented in March 2001, Ameritech will look to LSOG 5 when creating specifications for that functionality. While there is no Ameritech ordering release currently scheduled for June 2001, should Ameritech schedule such a release, it

would be based on LSOG 4. As part of the SBC Uniform and Enhanced OSS POR, AI has agreed that Phase II pre-ordering and ordering releases in Ameritech will include some LSOG 5 functionality. The specifications for these releases are to be made available consistent with the intervals specified in the Change Management Process.

Conclusion:

The Commission approves the foregoing language as settled among the parties.

5) Phase II Rights

CURRENT LANGUAGE: POR Section III, Future Method Of Operation; Overview; "Nothing herein shall be deemed to preclude the parties from taking advantage of their rights pursuant to Phase III of Condition 29 of the Merger Order Docket No. 98-0555."

AT&T Proposed Language: "Nothing herein shall be deemed to preclude the parties from taking advantage of their rights pursuant to Phases II and III of Condition 29 of the Merger Order Docket No. 98-0555." Revised AT&T POR, Attachment A hereto, p. 36.

AT&T Position: AT&T believes its rights include access to arbitration and other provisions of both Phases II and III of Condition 29.

AI Proposal: Retain the current language.

AI Position: Except for this arbitration, Phase II is at an end. No reservation of Phase II rights is necessary or appropriate.

Conclusion:

Pursuant to our resolution of Issue 9, et al, the language proposed by AI is appropriate here.

7) Pre-order Loop Availability

CURRENT LANGUAGE: POR Section III, Future Method of Operation; Pre-Ordering; Digital Subscriber Loop Qualification Inquiry; "At this time, facilities are not reserved nor is facility availability part of the response."

AT&T Proposed Language: "At this time, facilities are not reserved."

AT&T Position: "It is AT&T's understanding that the pre-order response has indication as to the facility being in service. Absent this indication, the facility is presumed to be available since AI does not provide for facility reservations." (Initial Comments p. 72) Mr. Connolly testified that AT&T believed that the second part of the sentence "doesn't reflect what we talked about, it doesn't reflect the way that preorder function actually works." (Tr. 1168) (No final comment).

AI Position: Retain current language.

AI Reasoning: Loop availability is not part of the current response.

Conclusion:

We believe the current language should be retained.

11) GUI Payments

CURRENT LANGUAGE: POR Section III, Future Method Of Operation; Ordering: "Such payments shall apply to electronic orders submitted to AI on or after October 1, 2000, and shall end when AI deploys its permanent GUI, on or before March 2001."

AT&T Proposed Language: "Such payments shall apply to electronic orders submitted to AI on or after October 1, 2000 and shall end when AI deploys its permanent GUI and it has been successfully demonstrated as equivalent to the interim GUI." AT&T Revised POR, Attachment A, p. 52.

AT&T Position: The charges that Ameritech has agreed to pay for CLEC use of the interim GUI should not cease until the Ameritech ordering GUI is operationally ready to accept and process orders for unbundled loops (with or without LNP), resale and UNE-P and whatever other services that the 3rd party provider's GUI can support for ordering. The language that limits Ameritech's obligations to pay for CLEC use only until March 2001 would place CLECs at risk of having to pay for use of the GUI if the March 2001 implementation is late or if it fails to work as effectively as the interim solution. The termination of AI obligations should be coincident with satisfactory cut-over from the interim GUI to the more permanent GUI.

AI Response: Their final comments say see Issue 19. The comments don't specifically address AT&T's proposal to have the payments continue after March 2001.

Conclusion:

Considering the positions and proposals of the parties, we believe that the POR language at issue should be modified as follows:

> "Such payments shall apply to electronic orders submitted to AI on or after October 1, 2000 and shall end when AI successfully deploys its permanent GUI."

Issue 11:
Retain Current Listings

Should the Commission order AI to undertake specific changes necessary to make the process for retention of current listings available for "partial migration"?

Addressed by: AI, Joint Small CLECs and CoreComm.
Supported by: AT&T, WorldCom.

Background

Apparently, many businesses have multiple telephone numbers for a single location. To follow the example presented at the hearing, a Sears store might have a main telephone number, along with separate numbers for the "Appliances," "Automotive," "Housewares," "Lawn and Garden" and other departments. (Tr. 1025-28). AI structures its records for such end users by using a "master bill number." For example:

Master Bill Number	312-555-1111
Appliances	312-555-1112
Automotive	312-555-1113
Housewares	312-555-1114
Lawn and Garden	312-555-1115

The directory listings for such an account may or may not correspond to this type of account structure. For example, there might not be a separate listing for the children's clothing department; outside callers would reach that particular department by calling the master number, or another listed number, and then be transferred.

A "partial migration" occurs when a customer moves some, but not all, of its lines to a new carrier. In this example, the customer might decide to let a CLEC provide service to the appliance and automotive departments, but not to the main line for the store. By contrast, in a full migration, the customer switches its entire account, and all the lines in it, to the new carrier. AI has proposed to implement a process that would allow CLECs the option to retain current directory listings "as is" on all full migration orders, by March 2001.

The issue in this arbitration is how directory listings should be handled in a partial migration. The CLECs contend that they should be able to tell AI to "retain current directory listings" — that is, to keep the directory listings exactly as is. AI, however, contends that such requests would be difficult to interpret and apply correctly due to the complexities of the account, and the fact that the account structure might differ from the directory listing.

Ameritech Position:

The CLECs are requesting that AI implement a process to allow CLECs the option to retain current listings on all order types, including partial migrations. A "partial migration" occurs when a customer migrates only a portion of lines on an

account to another carrier, as opposed to a full migration, which would be a conversion of the customer's entire account (all telephone numbers). CLECs also prefer that this ordering process should support Directory orders over a single interface for all service types.

Ameritech has agreed to implement a process to retain current listings on full migrations by March, 2001. However for partial migrations Ameritech states they cannot retain current listings and have no plans to implement such a process.

Ameritech also has agreed to eliminate the need for two ordering interfaces no later than September, 2001. Currently a CLEC places a UNE order via the LSR process and a Directory Listings order with the Ameritech Advertising Services ("AAS") directory affiliate.

AI maintains that it should not be required to process requests to "retain current listings" during a partial migration, because such requests can be ambiguous and lead to errors. AI further contends that the competitive impact of AI's proposal is not material, because it merely requires that CLECs specify more clearly how listings are to be treated in a partial migration.

CLEC Position:

Retain current listings allows CLECs who place orders with AI for end customers, and where their listing information remains the same, to not have to place a second order with Ameritech Publishing who is responsible for directory listings. Ameritech does not intend to support partial migrations for their retain current listing functionality. CoreComm argues that offering this functionality for partial migrations is very important because large customers frequently want to test other services, but the current requirement places a needless burden on that end customer.

Conclusion:

CoreComm states that the process of separately ordering a customer's directory listing from a "third-party" is cumbersome and effects the CLEC's ability to provide timely, accurate service to its customers. According to CoreComm, AI has the systems in place to pass existing directory listing information to its directory affiliate AAS. Whatever the level of complexity in the business arrangement between Ameritech Illinois and AAS is, in CoreComm's view, the creation of Ameritech.

AI explains that in a full migration - the master bill number and all the telephone numbers associated with it in the account, transfer to the new carrier. In a partial migration that is not the case because the relationship between the master bill number and the subsidiary numbers will change. By definition, at least one of the phone

numbers will belong to a CLEC customer and as such, a new account structure must be created.

A "retain current listings" request for a partial migration does seem fraught with possibilities for chaos and confusion. AI maintains that the CLEC proposal forces it to make assumptions about how the end user might want to organize the account structure and directory listing. We wonder, especially after reviewing the example set out in AI's Final Comments at page 59, if what the CLECs are asking for as a time-saving measure may not prove more time-consuming in the end for both CLECs and AI.

In any event, AI has not said that it is incapable of fulfilling the CLEC request in this instance. CoreComm contends that partial migration orders are a major segment of CLEC business, as new multi-line customers decide to give a CLEC a try by moving only a portion of their lines to the CLEC. This simple assertion carries great weight with the Commission, and is a major factor in our decision. To the extent that CLECs, like CoreComm, were willing to assume the risk that AI's action is appropriate for any given situation, we would have required AI to implement a process that allows CLECs to retain current listings on partial migrations by March 2001. Taking account, however, of the exceptions arguments on reply presented by AI, the Joint Small CLECs and other Joint CLECs, we require AI to issue an initial set of assumptions that it will make in processing requests to retain current listings in a partial migration by January 31, 2001, to work through the CMP, and to complete implementation by June 2001.

Issue 13:
Relaxed Customer Service Record Address Validation

(a) Should AI implement its relaxed address validation rules earlier than March 2001?

(b) Should AI apply its relaxed address validation rules to all orders?

(c) Should AI take specific steps to address an alleged conflict of address data within its databases?

Addressed by: AI, Staff, Covad/Rhythms, Joint Small CLECs, WorldCom, CoreComm.
Supported by: AT&T.

Background

Industry standards require every request for service to include the address at which that service is to be performed. (Tr.784-785). AI checks CLEC service orders against its own address databases (the Street Address Guide or "SAG," for street address information, and the "living unit" database for information on apartment

numbers) before accepting them for processing. If the order does not match the address in AI's records, AI returns it to the CLEC for correction, along with a notice that states why the order was rejected.

To assist CLECs in correctly identifying the customer location, AI offers an on-line "address validation" function via its pre-order interface. AI witness Gilles explained that a CLEC can use this function to check the address on its order against the same Street Address Guide and "living unit" databases that AI's own retail personnel access when placing an order. The address validation function returns an answer within seconds, along with suggested corrections if the address submitted by the CLEC does not match the database.

CLECs allege that many of their orders are rejected for inappropriate reasons: either because of minor discrepancies in format (the hypothetical advanced by counsel for Covad involved an order in which the CLEC abbreviated "avenue" as "av." instead of "Ave.") or because the address information in the customer service record ("CSR", another database that CLECs can access in pre-ordering) does not match the address databases. In response, AI has proposed to implement relaxed or "Lite" address validation for certain orders in March of 2001. (The Plan of Record, as provided to Staff and to the CLECs for red-lining on August 30, contains a proposed implementation date of December 2000. Although AI had planned to implement Lite validation in December, it determined on the following day that it would be unable to meet the December date, without delaying some other project, due to the schedule of other releases already planned for December. As the POR had already been distributed to the parties by that time, AI revised the implementation date to March 2001, and explained the reasons for that change, in its Initial Comments.) Lite validation allows a CLEC to submit an order *without* an address, using instead the customer's telephone number to identify the location at which AI is to install service, and thus bypass the address edit that is currently performed for all orders. The customer's address would become optional information.

The CLECs agree with AI's proposal, but seek to accelerate its timing (*i.e.*, the CLECs want Lite validation before March 2001) and increase its scope (specifically, Covad wants AI to perform Lite validation on orders for new DSL loops).

AI Position:

AI recognizes the importance of accurate end customer addresses in every CLEC order. It has already, on July 28, 2000, implemented an "enhancement " to its pre-ordering address validation transaction to insure passage of all address edits in the ordering process. (AI Initial Comments at 39).

For purposes of the instant dispute, Ameritech maintains that:

(1) it is reasonable for AI to implement relaxed address validation in March of 2001, as the costs of earlier implementation would greatly exceed the marginal benefit, and the existing pre-order address validation function is

already adequate to address their concerns.

(2) it should not be required to implement relaxed address validation on orders for new DSL loops, because it is impossible to ensure that a new service is installed at the correct location unless the order contains the valid address.

(3) Its proposed "Lite" validation will apply to all services, including DSL and line sharing in situations where service, by definition, will be provided at the same location already indicated in AI's records.

(4) the following language should be substituted for the last paragraph on page 48 of the POR Exhibit:

AI will do an abbreviated TN/address validation on all conversion resale, CFO, and loop with portability orders and orders for HFPL on loops used to provide Ameritech voice service to existing customers. This will be implemented by the end of March 2001.

CLEC Position:

The reason AI rejects a significant number of CLEC orders is because of erroneous information, including addresses, on the order form. In some cases this is because the street address provided by a CLEC does not match the street address by which AI typically validates orders. (AT&T Initial Comments at 26.) Under the current procedure followed in the pre-ordering process, AI provides CLECs access to the Customer Service Record (CSR) database, the CLECs then use the information in the CSR to populate the order they must provide AI. Also, AI provides CLECs access to the AI Street Address Guide (SAG) database, which contains the valid street addresses of AI end-users. According to the CLECs, these two databases do not always match in format and content. Depending on the type of order from the CLECs, AI validates the order through either the CSR or the SAG database. (AT&T Initial Comments at 26-27.)

Furthermore, the CLECs experience problems with the accuracy of the SAG and CSR databases. For example, when CLECs send an order, AI requires that CLECs provide the street address of the end-user. If the CLECs use the CSR to format the street address in an order, discrepancies both in format and content cause the order to be rejected even if the address provided matches the address information contained in AI's CSR. To overcome this problem, the CLECs want AI to conform its CSR database to the SAG database by replacing anomalies in the CSR to correct address information, as prescribed by the SAG. (AT&T Initial Comments at 26 27.) AT&T posits this synchronization of the two data bases as a "long-term" project. (Id. at 29.) and

proposes a date of March 2001 for the development of the synchronization process. (AT&T Exhibit 1, FMO, Section C, Ordering at 52-53.)

The CLECs also want AI to implement relaxed address validation for migration orders for resale, CPO and loop with number port by December 2000. (Id. at 52.) In other words, AI will not require address validation at all on these limited sets of order types and the order will only be validated on the telephone number (TN) provided. Covad also objected to the fact that relaxed address validation will not be implemented for the line sharing orders. (Initial Comments of Covad Communications at 4-5.)

In its Final Comments, AT&T asks the Commission to take the following action in regard to the problem of address validation.

First, the Commission should order AI to apply the light edit fix for all order types that would be provided to a customer with an existing Ameritech telephone service. For example, a CLEC may be sending a "loop-only" request to Ameritech for a customer that currently has a telephone number with Ameritech. This situation should be included in the light edit fix.

Second, the Commission should order AI to meet its initial commitment to make light edits available in December 2000.

Third, the Commission should order AI to the necessary action to allow CLECs to validate all addresses through the telephone number. This should be done by AI syncing up the SAG/living unit databases and the CSR address databases.

Covad would like to have "lite" address validation available for xDSL unbundled loop orders as well as for line shared loops. Covad believes this should be available by December, 2000.

Staff's Position/Recommendation:

Staff recommends that the Commission mandate the following:

Action:

(a) Lite Validation is to be implemented no later than December 2000.
(b) Lite Validation should be extended to apply to line sharing orders, and also accomplished by December 2000.
(c) Ameritech should plan and work to synchronize its CSR and SAG databases.
(d) Ameritech and the CLECs should maintain accurate records of error rates including the number of rejections by error type.

(e) Ameritech should provide monthly reports as detailed below.

Reporting:

Staff recommends that the Commission require AI to provide monthly reports, verified by a company officer, to Commission Staff on the progress of its implementation of lite address validation as well as the synchronization of the CSR and SAG databases. In its Brief on Exceptions, Staff requests that each such report be filed with the Chief Clerk of the commission in a form suitable for posting to the Commission's web page. Staff also recommends that the Order specify that all such reports will be public records available for inspection and copying. Furthermore, each report should be provided to the Commission Staff no later than the 15th of each month and include a comprehensive and detailed evaluation of the project plan being used to track and manage the implementation of the list address validation initiative, as well as the project to synchronize the CSR and SAG databases . The project plans should include all major milestones related to the project along with the estimated and actual target dates for each milestone. Any changes from the previous monthly report regarding planning assumptions or schedule changes should be noted and an explanation provided for those changes. Further, the overall impact of any such changes on the respective projects should also be clearly identified in the report. In Staff's view, the aforementioned report will keep both the Commission and the CLECs informed as to Ameritech's progress toward meeting its committed implementation date.

Conclusion:

Given the critical importance of this functionality to the CLECs (as expressed in their respective comments on the issue) we believe that the relaxed address validation committed to by AI should be given top priority. As a practical matter, however, the CLEC and Staff proposed December 31, 2000 implementation date is close upon us. AI states that, even if it could finish the necessary software development and quality control today (and it cannot), the implementation of OSS improvements requires 60 days of joint testing before actual use. As a legal matter, we believe that ordering compliance with an implementation date of a few days hence, (or worse, a retroactive date) is not sustainable, for reasons of fundamental fairness. So too, there was no initiative taken by any party to expedite our resolution of this issue outside the regular course of this proceeding,

Both Staff and AI contend that any attempt on our part to move up the implementation date from March 31 to say, February 1, is contrary to the agreement that OSS changes be implemented only once each quarter. Staff further maintains that the record is bereft of any evidence showing that a February date is workable. Staff

Brief on Exceptions at 34). For all these reasons, we conclude that the date of March, 2001 is the earliest that address lite validation can be ordered implemented. Accordingly, we mandate AI to implement relaxed address validation by March 2001 as the absolute final date.

The CLECs are not left in the exact same positions they originally described because an on-line address validation is now available for them to test an address before submitting an order. This enhancement provides CLECs with an answer (including suggested corrections if needed), in a matter of seconds. As such, it allows CLECs to avoid the risk of order rejections. No CLEC or Staff has voiced a complaint regarding the viability of this process. Indeed, the Joint Small CLECs admit that improvements have been made in the pre-ordering process. (Joint Small CLECs Brief on Exceptions at 46). Furthermore, in another part of this Order, where the CLECs argued the need for access to the pre-ordering functionality so as to cure rejected orders based on incorrect address validations, we expanded the hours of availability. (See, Issue 6). This will assist the CLECs in the interim as they proceed with the joint testing of address lite validation.

We make clear that Lite address validation will apply to all services, including DSL and line sharing, so long as the end user:

- seeks to keep his or her existing service (whatever it might be), but changes carriers; or
- wants to add new services to his or her existing service; or
- wants to have a second carrier use the high-frequency portion of the loop that currently serves that end user to carry data (i.e., line sharing).

Lite validation allows a CLEC to submit an order without an address using instead the end-customer's telephone number to identify the location at which AI is to install service. Thus, by its very definition, this feature is unavailable and ineffective to handle service requests for “new“ DSL loops in instances where the end user has no service with AI, e.g. where the end user only has a cell phone with another wireless carrier and thus, no address on record with AI, or in a situation where the end user has existing service with AI at one address but requests service be provided at a new address. To the extent that Covad’s proposal contemplates expanding lite validation in these types of circumstances, we reject its request as unworkable. In other words, it is only where the end-user’s telephone number provides information enough for AI to determine with certainty the location at which service is to be provided that lite validation is, and can be operative. Any suggested use to the contrary, would not benefit competition, and could well harm competition and reduce the quality of service to the end-user, by creating confusion about where such service should be installed.

The parties have not settled the previously articulated aspects of this issue regarding (1) the implementation date of “lite” validation or (2) the scope of order types

to which "lite" validations should apply. They agree, however, in settlement of that portion of Issue 13 dealing with correcting discrepancies between the SAG and the CSR, as follows:

1. Where CLEC orders are subject to a validation of street address, Ameritech Illinois' SAG will be the only source used to perform that validation. Similarly, on pre-ordering input transactions, where an address is required, the CLEC should use a SAG-valid address. On a prospective basis, Ameritech Illinois will agree to fix discrepancies between the SAG and CSR as they are discovered in order processing.

2. Once "Lite" address validation is put into operation, Ameritech Illinois will examine the ways and means by which it can synchronize its CSR and SAG databases. It shall set out a plan for the project, with detail, as per Staff's recommendations and provide a report to the Commission on May 1, 2001.

The language of settlement on this aspect of Issue 13 is acceptable to the Commission and made a part of the instant Order. Further, on the basis of Staff's urging, we require that the report which Ameritech has agreed to file, be verified by an officer of the company, be treated by the Chief Clerk of the Commission as a public record available for inspection and copying and submitted in a format appropriate on the Commission's webpage.

Issue 18:
Flow Through

In settlement of this issue, as per their filing on January 9, 2001, the parties agree as follows:

1. Ameritech Illinois will provide the CLECs with a complete flow-through listing, including a complete set of exceptions, on or before April 15, 2001.

2. In April 2001, the CLECs will provide Ameritech Illinois with a prioritized list identifying the products/order types that CLECs seek to have flowed through over the next 24 months. The prioritized list will reflect those products or order types that CLECs currently provide or anticipate providing in significant volumes. The CLEC list will include Centrex resale.

3. Also in April 2001, CLECs and Ameritech will meet to negotiate in good faith to agree upon a target percentage of flow-through exceptions for each prioritized product/order type that will be eliminated quarterly over the next 24 months. If agreement on such a target cannot be achieved, the parties agree to

treat this as an "implementation" issue such that CLECs may file for arbitration under Phase 3 of Condition 29 of the Merger Order. The parties may file for such arbitration as early as May 15, 2001. The parties agree that this target is itself not subject to testing in connection with the Phase 3 Master Test Plan ("MTP") so long as Ameritech disaggregates its total flow-through performance measure to allow CLECs to review the flow-through percentages for the product/order types identified by the CLECs in the prioritized list referenced above.

4. Over the next 24 months, Ameritech Illinois shall make a good faith effort to attain significant improvements in the flow-through rate for the order/product types identified in the CLEC list provided under paragraph 2 above. Separate from the target percentage of flow-through exceptions identified in paragraph 3 above, Ameritech Illinois will publicly set a percentage target for each order/product type that it believes represents a significant improvement in the flow-through rates for those order/product types.

5. By May 2001, Ameritech Illinois will provide the Commission and the parties to ICC Docket No. 00-0592 a detailed project plan outlining the milestones it will report, on a quarterly basis, to reflect progress in meetings for improving flow through.

6. The project plan, along with the CLECs' prioritized list, will be filed with the Commission.

7. Quarterly, beginning on September 10, 2001, Ameritech Illinois will prepare a report providing details about how its efforts are progressing. These reports shall be filed with the Commission and served on all parties to this arbitration docket. Ameritech Illinois' quarterly reports will be subject to Commission review. CLECs will have the opportunity to submit comments on the quarterly reports. The reports will be disaggregated (including disaggregation by product type) to the same level as is contained in performance measure #13.1. (Performance Measure 13.1, Total Process Flow-through, as agreed to in the Illinois Performance Measures Collaborative sessions and as defined in the Illinois performance measure business rules documented on the SBC performance measures web site at https://clec.sbc.com/). In connection with the six-month performance measure review in June, 2001, the parties will evaluate whether modification of reported flow-through measurements need be made in light of the particular flow-through exceptions identified as a result of the process described in paragraphs 2 and 3, above (e.g., increased or modified disaggregation). In any event, as noted, on or before September 2001, Ameritech will disaggregate performance measure # 13.1 as described in paragraph 2 above.

8. ~~If the CLECs believe that significant progress has not been made, they reserve the right to petition the Commission for a determination and to request penalties and other specific remedies, which may include payments to CLECs.~~

9. This agreement on Issue 18 shall not operate in itself to extend the duration of Phase 3 of Condition 29 of the Merger Order with respect to this issue except that, after the expiration of Phase 3 and for the remainder of the 24-month period, as such period is specified below and in paragraphs 2 and 3 above, the parties agree that, in the event that Ameritech Illinois does not implement the flow-through enhancements consistent with the terms of this agreement, the CLECs shall have available to them an expedited complaint/arbitration remedy consistent with the one applicable to Phase 3. This arbitration process shall be separate and distinct from the arbitration process that is identified in paragraph 2 above

10. For the purpose of paragraphs 2, 3, 4 and 9 above, the "next 24 months" or the "24-month period" referred to therein, shall be deemed to commence when all target percentages of flow-through exceptions that will be eliminated quarterly for each prioritized product/order type has been agreed upon by the parties or otherwise ordered by the Commission.

In arriving at a settlement of Issue 18, the parties recognize that they have agreed to certain remedies (as set out in paragraphs 3 and 9 of the settlement language) that may or may not have been contemplated under Condition 29 of the Merger Order.

We view the parties' agreed-upon process for resolving the flow-through issue to be generally reasonable and adopt same for purposes of this Order. As for the remedies included in the settlement language, we treat these provisions as a proposal to the Commission and examine the language of each paragraph in detail.

Paragraph 3:

In the event that the parties cannot reach agreement, through their negotiations, on the target percentage of flow-through exceptions to be eliminated over the next 24 months, they want the dispute treated as an "implementation" issue such that arbitration under Phase 3 of Condition 29[7] would be open to them. This aspect of the

[7] Phase 3 of Condition 29 of the Merger Order expressly authorizes the CLECs to file a complaint with the Commission based on their contentions that AI has not developed and deployed the system interfaces, enhancements and business requirements consistent with the Phase 2 written agreement or has not complied with the

parties' proposal, as set out in paragraph 3 of the settlement language is agreeable to the Commission and is made part of our Order.

Paragraphs 8 and 9:

In reviewing the particulars of the remedy proposal under paragraphs 8 and 9 of the parties agreement, there were some points that the Hearing Examiners needed to have clarified by the parties. On January 11, 2001, AT&T, CoreComm, Rhythyms and WorldCom filed a Joint Response to the Hearing Examiners' Information Request. (AI subsequently joined in this filing). In their response, the CLECs agreed that both paragraphs 8 and 9 of the settlement language contemplate action based on the same contingency, i.e., AI's failure to implement the agreement. As such, and for the sake of clarity, the CLECs agreed that paragraph 8 of the agreement should be stricken.

The CLECs stress, however, that paragraph 9, which proposes that an expedited arbitration process be available to them in this instance beyond the Phase 3 period, is in keeping with the Commission's special interest in these OSS issues. They further point out that Condition 29 of the Merger Order itself provides for a two-month arbitration process for all implementation disputes that arise from the agreements reached by the parties in Phase 2.

According to the CLECs, the instant agreement on Issue 18 falls within Phase 2 and the Commission's Merger Order clearly gives them the right to utilize the Phase 3 arbitration to settle disputes arising from all Phase 2 implementation issues. It is appropriate, they state, for the Order in this case to ensure such a remedy in this instance where, given the time period of the agreement, the dispute, (although properly a subject for Phase 3 arbitration), may not surface until a point in time after Phase 3 has ended. Rather than extending Phase 3 to run with the time period of the instant agreement, the parties simply ask that they be allowed the remedy of an expedited arbitration to resolve their differences for any time remaining on the agreement after Phase 3 is concluded.

Staff does not dispute the apparent need for the remedies and procedures as set out in the parties' agreement (See, Staff Response to Partial Settlement of Issues). While it views such remedies as other than, and in addition to, those measures set out in Condition 29, Staff believes the parties' proposals are "certainly consistent with the Commission's purposes" in this matter. (Id. at 6).

Commission's decision on Phase 2. According to Condition 29 language, the Commission will arbitrate the issues of the Phase 3 complaint and conclude the matter within 2 months.

On the basis of the information provided in support of the remedy set out by the parties, the Commission agrees that the provisions of paragraph 9 meet with its intentions in this OSS matter. Given that the flow-through agreement spans 24 months, and given the likelihood that the Phase 3 arbitration may conclude before that period has run, the Commission authorizes the CLECs to file for an expedited arbitration on Issue 18 in the event that AI fails to implement the flow-through enhancements consistent with the terms of this agreement or any modifications thereto agreed upon by all the parties.

By agreement of the parties and as reviewed by the Commission, paragraph 8 of the agreement is stricken.

Further, Staff tells us that the need for public confidence in the expeditious development of OSS together with the Staff and CLEC need for unfettered access to information on AI's efforts in this regard, warrants requiring an AI officer to verify all reports including the report agreed to in this instance. These same considerations, Staff maintains, warrant having AI file its report with Chief Clerk in a format suitable for posting on the Commission webpage. According to Staff, such report should be treated as a public record, available for inspection and copying. We agree with, and order compliance with, all of Staff's recommendations on this matter.

Issue 19:
Ordering Graphical User Interface

a) Should the Commission order AI to implement the permanent Graphical User Interface (GUI) for ordering by December 2000 or March 2001?

b) Should the Commission require AI to provide CLEC's direct access to back-end systems containing loop provisioning information?

Addressed by: AI, Joint Small CLECs, WorldCom.

Issue - 19(a)
Background

AI's current EDI ordering interface is an "application-to-application" interface, meaning that the CLEC's computer (specifically, the program or "application" for ordering) communicates with AI's computer. By contrast, a Graphical User Interface ("GUI") is a system in which a person communicates with the computer, as is the case with many well-known personal computer programs.

Under its proposed Plan of Record, AI will offer a GUI for ordering, in addition to the existing EDI application-to-application interface, for testing in January 2001, with commercial use in March 2001. The new GUI will be modeled on a system known as "LEX" (Local Exchange) used by CLECs to place orders with SWBT in Texas.

For the interim period between now and March 2001, AI has offered to assist CLECs in obtaining and implementing commercial GUIs through a third-party provider, and to pay all or some portion of the applicable charges. (Ameritech Init. Comments, at 45-46)

The CLECs here are requesting that the ordering GUI be implemented prior to March 2001.

AI's Position:

AI has committed to provide both ordering and pre-ordering GUI in March, 2001. It maintains that very significant software programming changes are required for the task. The changes are dependent on "back - end" system modifications. Additionally middleware must be created that will connect the GUI with the back-end systems. The middleware formats orders entered through the GUI into a format acceptable to the ordering interface system so that these GUI-entered orders appear as if they had been received via EDI. Finally, before the GUI can be deployed, it must be tested by Ameritech software engineers. The existing EDI application-to-application interface, along with commercially available GUIs, is more than sufficient for the remaining interim period.

CLEC Position:

WorldCom would like the pre-ordering and ordering GUIs, Verigate and LEX, implemented in Illinois by December 2, 2000. WorldCom states that the Commission ordered implementation by that date in the Covad arbitration and that TA 96 requires the same interconnection arrangements be available for all CLECs. Additionally, SBC already offers the same systems in Texas.

WorldCom argues that early implementation of pre-order and ordering GUIs is critical to the timely development of competition for residential and small business customers. For CLECs building to EDI, it provides a back-up method of ordering when EDI systems go down. Without timely implementation of these GUIs, CLECs may not have efficient, mechanized pre-order and order capabilities in the event EDI rendered inoperable. GUIs also allow CLECs to supplement pre-order and order activity from many locations that may not have EDI capability. Implementation will also increase competition according to WorldCom. As evidence, WorldCom points to Texas where these GUIs are already available and there is more competition. Delayed implementation, according to WorldCom, means uncertainty and delayed business planning, which hinders CLECs and provides Ameritech an unjustified competitive advantage. WorldCom further recommends that if Ameritech does not implement the Verigate and the LEX GUIs by December 2, 2000, the Commission should make clear that Ameritech shall pay for, or reimburse CLECs for any and all expenses related to the use of the interim GUI pending final implementation of LEX and Verigate in Illinois.

The Joint Small CLECs maintain that the GUIs will provide CLECs with an easy and efficient method to carry out pre-ordering and ordering activities. For those CLECs using EDI, these GUIs will also provide a back-up method of ordering when EDI systems go down. The GUIs will also allow CLECs to supplement pre-ordering and ordering activities from many locations that may not have EDI capability. (Joint Small CLECs Final Comments at 45-48).

The interim solution which AI proposes is unsatisfactory to these CLECs. It applies only to the ordering GUI, not to pre-order functionalities. Additionally, CLECs would have to contract with a third party vendor to implement the proposed interim ordering GUI, and would have to stick to forecasts of usage of the GUI or pay an additional fee. (Tr. 293-294).

Issue -19(b).

Background

This issue of access to AI's back end systems, CLECs assert, was included in the Covad/Rhythms Arbitration Decision. In that order the Commission provided that "Ameritech shall provide Covad and Rhythms read only access to all data contained in any record, database or backend system of Ameritech that may be useful to Covad or Rhythms in the provision of xDSL-based services on line shared loops." (p. 44)

CLECs complain that direct access is not provided for in the proposed POR.

CLEC Position:

WorldCom states that AI should make available "all information in its records, databases or backend systems that may be useful in provisioning xDSL services on line shared loops" or "read-only direct access and gateway access to loop provisioning information" as provided for in the Covad order.

The Joint Small CLECs would also like access to AI's back-end systems as ordered in the Covad/Rhythms Arbitration

AI Position

AI maintains that throughout the collaborative process, and even more particularly in the context of the federal Advanced Services POR, it has agreed to provide the loop qualifying information - well over 30 data information elements - found by the FCC to be important to CLECs in the provision of advanced services.

These 30-plus data elements, AI contends, are currently available in the Graphical User Interface of AI's TCNet website and through an electronic data interface. By March, the same data elements will be accessible through a new GUI (Verigate) requested by the CLECs.

According to AI, giving CLECs direct access into its backend databases is not only unnecessary - but also troublesome. Reposed in those systems is customer information and even the information of their competitors. For example, AI tells us, direct access to LFACS would give a CLEC access not simply to its service orders, but also pending service orders of all competitive CLECs as well as AI's retail and wholesale service orders with all types of confidential and marketing information. Such action, AI believes would implicate Section 222 of the Act which prohibits a carrier from disclosing or permitting access to customer proprietary information.

In any event, AI claims, such broad, unmediated and potentially damaging access is unnecessary for any competitive purpose or to fulfill the FCC's UNE Remand Order. Indeed, the FCC has never, according to AI, required direct access to an ILECs back office systems despite the opportunity to do so. AI emphasizes that the FCC has solidly and consistently required CLEC access to the information from these systems - not to the systems themselves.

Analysis and Conclusion

There are two separate issues here. The first, Issue 19(a), is whether AI should be required to implement GUI prior to March 2001. The second, Issue 19(b), is whether CLECs should be given access to AI's back-end systems and if so, to what extent.

GUI Timing

With respect to the time for implementation of GUI, CLECs ask that AI be required to meet the December, 2000 deadline as laid out in the Covad/Rhythms Arbitration Decision. (Docket No. 00-0312 & 00-313, consol.) The Commission, however, granted rehearing on that issue on October 3, 2000. Contrary to the exceptions arguments of the Joint Small CLECs, our grant of rehearing means that a decision on the time for GUI implementation is not final or appealable, and is therefore, for all purposes stayed. In light of the fact that this issue has been identified as part of the collaborative, it is properly before us for consideration in these premises.

We are told that GUIs provide CLECs with an easy and efficient method to carry out pre-order and order activities, as well as a back-up method of ordering when EDI systems go down. On this basis, the CLECs believe that the timely implementation of pre-ordering and ordering GUIs is critical to the development of competition in Illinois.

AI tells us that despite all its efforts and the breadth of its reach, AI was forced to conclude that the March 2001 date for GUI deployment could not be accelerated. AI explains that implementing the new ordering GUI requires a substantial effort. The work must be done carefully, to assure quality of service there must be testing of the product, and AI must further develop user documentation and testing materials so that the GUI is not just simply available, but also useable.

Also, AI reminds us, CLECs can and do continue to place orders through the existing application-to-application interface. Indeed, AI points out that AT&T agreed that EDI is "preferred in the mass market because it is mechanized and can support higher volumes." (AT&T Initial Comments at 5). So too, AI maintains, for those CLECs that want a GUI as an alternative to the existing interface, two interim GUIs are available to them until March 2001.

While the Joint Small CLECs continue to insist on a December 31, 2000 implementation date, AI reminds us that this is not a viable option due to the 60 days of joint testing that is required prior to implementation pursuant to the provisions of the POR. Under our order, AI will have the GUI available for CLEC testing by the middle of January, 2001.

Given the short time before implementation of the permanent ordering GUI, and the availability of both the existing EDI interface and interim GUIs, during that period, we do not believe that competition will suffer substantially if we respond favorably to AI. On the whole, and in light of all the relevant surrounding circumstances, we are persuaded that AI's proposed March 2001 implementation date for the GUIs is reasonable.

Direct Access

In light of the sparse CLEC attention to this issue, we are unable to discern exactly where their direct access request fits in among all of the OSS functionality that we are here examining. It was, however, raised in the collaborative and is squarely before us at this juncture.

Having considered all of the parties positions and the authority on this issue we begin with certain fundamental observations.

At the outset, we make clear our view that direct access to back office systems should not be confused with "access" to information contained in those back office systems. Direct access refers to how the information is provided to the CLECs, (e.g., direct link to legacy systems versus gateways such as EDI or GUIs), while access to information relates to what information is available to CLECs from those back end systems.

The CLECs here appear to want direct access to AI's back office systems - not just to the information contained in those back systems. They do not explain, however, why they need direct access to the systems or how and under what circumstances and to what extent such direct access is to be provided. More importantly, they have not identified what information in any of the particular back systems is necessary and not being provided them or what cannot be provided them through other systems. For example, the CLECs have not told us why the federal POR for Advanced Services wherein AI tells us it has agreed to provide over 30 data elements of information electronically, is inadequate for their purposes.

Direct access to an ILEC's back office, or legacy systems is not required by the FCC or any authority to which we have been referred. On the other hand, it is clear and well-established that "direct access" to any and all information within Ameritech Illinois' legacy systems should be available to CLECs, when that information is necessary for CLECs to determine what services a CLEC can offer to its end users.

In the UNE Remand Order, the FCC made clear that an incumbent LEC must provide the requesting carrier access to the "same detailed information" about the loop that is available to the incumbent LEC in any of its own databases or other internal records; either via an electronic interface (to the extent that a LECs employees have access to the information in electronic format) or manually (if a LEC has not compiled such information for itself); that requesting carriers must be allowed to obtain information about the underlying capabilities of the loop plant in the same manner (i.e., electronically or manually) as is available to the LEC's personnel: that access is not defined merely by whether a LECs retail employees have access to the information but rather if any of the LECs personnel can access such information; and, finally, such

information "must be provided to" requesting carriers within the same time frame that a LECs personnel are able to obtain the information as it would be unreasonable for the requesting carrier to wait several in a situation where the LECs personnel can obtain such information in several hours. (See, UNE Remand Order, para. 427, 429, 430, 431.)

By this authority, the Commission believes CLECs should have full and unmitigated access to any and all information within Ameritech Illinois' legacy systems when that information is necessary to determine what services CLECs can market to potential customers. For example, CLECs need to know if there are copper of fiber facilities serving potential customers so they can market the appropriate DSL type to potential customers. Access to marketing information for either Ameritech Illinois or other CLECs, however, should not be available to any potential competitor.

Unlimited, unrestricted and undefined access to AI's back-end systems, as the record suggests, cannot be countenanced. The Commission is greatly concerned that none of the issues related to direct access, such as confidentiality, functionality, or security, have been resolved or even addressed in this cause. It is unclear how competitor information would be "firewalled" so that confidentiality concerns would be addressed. It is unclear how the functionality of systems at either Ameritech Illinois or the CLECs end would be impacted. We see no standards of conduct developed or agreed upon by the parties. Thus, it is unclear how data security concerns or disputes would be resolved. These are grave matters.

We need to know exactly what the CLECs want, why they cannot get it through other means and how they propose to proceed. We cannot allow any CLEC to rifle through back systems without any parameters and without some protective measures in place. In our view, the purpose of electronic gateways such as EDI or GUIs is to provide information contained in Ameritech Illinois OSS systems electronically and eliminate the need for a direct access requirement.

Furthermore, the Commission notes that Condition 29 of the Illinois Merger Order sets out, in part, the following provision:

Direct Access to Service Order Processing Systems:

> In addition to the application-to-application and graphical user interfaces described herein, Ameritech Illinois will offer to develop and deploy direct access to Ameritech Illinois' service order processing systems for resold services, individual UNEs and combinations of UNEs, provided that a CLEC requesting such direct access enters into a contract to pay Ameritech Illinois for 50% of the costs of development

> and deployment. The access developed will meet the requirements of 47 U.S.C. Sec 251 © (3).

We cannot reconcile the particulars of the Condition 29 language with the CLEC position and are otherwise left uninformed. We question why the direct access the CLECs seek should not correspond to the features (particularly the cost aspect) of this provision.

Only the Joint Small CLECs take exception to our views on the issue of direct access. To the extent that these CLECs rely solely on the Covad/Rhythms arbitration decision, and fail to respond to a number of open questions, does not serve us well in this cause.

We believe that Section 252 (I) of the federal Act, and not this proceeding, is the appropriate means by which other carriers can opt into the Covad/Rhythms agreement if they so desire. As for present concerns, this Commission has already set out a merger condition on direct access and is not inclined, on the basis of this undeveloped record, to alter or expand its provisions.

Moreover, it is neither arbitrary nor capricious for this Commission to have concerns on issues of confidentiality, security, functionality, and timeframes that are implicated in the direct access proposal, or to review again the language of the UNE Remand Order in a proceeding such as this, which covers all CLECs. The Joint Small CLECs, who alone have filed exceptions on this issue, have not spoken with the necessary clarity and detail to any of our concerns in this matter. Given the limited record before us, we see no reason to input a direct access provision into the POR.

Issue 29, 31:
DSL Loop Qualification

Loop Availability: Should, as the CLECs request, AI provide a pre-ordering functionality that gives information on up to 10 available spare loops for a particular address?

Loop Reservation: Should CLECs be able to reserve a specific loop for up to four business days in advance of placing orders?

Terminal Makeup: Should CLECs be able to view the configuration of any designated terminal in AI's network.

Addressed by: AI, Staff, Covad/Rhythms.

Background:

Loop Availability Two steps are involved when a CLEC selects an unbundled loop. The first step is pre-qualification, where the CLEC attempts to determine whether a loop capable of providing the type of service the CLEC seeks to provide (*e.g.* ADSL), serves a particular address. Once the customer actually orders service from the CLEC, the CLEC submits a formal loop order to AI. Under the current pre-qualification process, a CLEC will submit a request and AI will return detailed information (consisting of more than 40 different elements) about a single loop that serves the particular address. When a loop is actually ordered, AI's systems select and assign the optimal available loop that meets the requirements of the particular order. Tr. 822, 825, 829.

The system selects the optimum loop by applying a series of 15 algorithms to the information provided on the CLEC's loop order to accurately select a loop with the appropriate transmission characteristics to meet the service request. (*See* Tr. 825-26, 834-35; AI Init. Comments at 81-82.) The optimal loop assigned by the system may or may not be the same loop on which information was provided in the pre-qualification process. Some reasons why the loop might be different are that the loop described in the pre-qualification process has been assigned to another customer that placed an order before the CLEC, or that the significantly more detailed information that the CLEC submits with an actual order (as opposed to a pre-qualification request) caused AI's systems to select a different loop. (Tr. 825-29.) Covad requests that AI be required to provide detailed pre-qualification information on not just a single loop, but on up to 10 different loops that theoretically could be used to serve the specified location. (Covad Init. Comments at 9.)

Loop Reservation While the pre-qualification process provides the CLEC with information about a loop that serves the designated location, it does not guarantee the requesting CLEC access to that particular loop. The only way to ensure access to a loop is to place a formal order. Once the CLEC places a formal order, AI's system will select and assign the CLEC the optimum available loop that meets the requirements to provision the service the CLEC seeks to provide. (Tr. 822, 825, 829). Covad's position is that after a CLEC obtains information on multiple loops during pre-qualification, the CLEC should be allowed to reserve a specific loop for four business days. (Covad Init. Comments at 10-11). The CLEC can either place an actual order for the reserved loop during those four business days, it can let the reservation lapse, or it can renew the reservation for four more business days (Tr. 862).

Terminal Makeup Information In addition to the existing loop pre-qualification and ordering procedures, CLECs want AI to provide them with all information concerning the facilities and services associated with any specific terminal in the field.

AI Position:

AI assigns loops that meet the minimum specifications of the service that is requested. AI asserts that as long as the minimum specifications are provided, the existence of other loops is irrelevant. AI contends that if a CLEC is looking for a higher minimum specification, they should request it and pay for it and not be able to obtain it simply because they were able to select the best components. According to AI, Covad's proposal concerning loop availability is unreasonable because it is unnecessary and would require AI to make substantial changes to its systems and procedures for loop pre-qualification.

AI asserts that the impact on it would be substantial if Covad's position were adopted. AI would be required to substantially reconfigure its loop qualification systems and procedures to provide the detailed, multi-loop information that Covad seeks. Requiring AI to complete such a burdensome task is especially unreasonable, AI claims, because it is unclear the extent to which the extra information would actually assist CLECs.

In addition, Covad's position would open the door for anti-competitive behavior by CLECs. If CLECs are allowed to view 10 eligible loops serving a location rather than just one, a CLEC will be allowed to choose loops with capabilities in excess of that CLEC's actual need. This would foreclose another CLEC, with an actual need for a specific loop capability, from obtaining the loop with that capability.

AI argues that reserving facilities as proposed by certain CLECs, promotes anti-competitive behavior. It indicates that there are a certain percentage of orders that can not be electronically assigned and require manual intervention. Tying up loops through a reservation process would further reduce AI flexibility when encountering these difficult assignment situations or repair situations by reducing the number of spare loops serving a given address or area. If a CLEC wishes to reserve facilities for future use, they need only order unbundled loops. Covad's proposal concerning loop reservation should be rejected, AI maintains, because it increases the likelihood of anticompetitive behavior by CLECs and replaces the current first-come, first-served system, which is based on actual loop orders, with a complex and confusing reservation system.

According to AI, Covad witness Szanfraniec's testimony shows that loop reservation leaves the door wide-open for anti-competitive behavior. Covad's loop reservation proposal would allow a CLEC to reserve a loop for four business days. (Covad Init. Comments at 10-11). Mr. Szanfraniec admitted that if the reservation period extended over a weekend or a holiday, the reservation period could extend for six or seven days. (Tr. 860). Moreover, Mr. Szanfraniec testified that nothing prevents a CLEC from re-reserving a particular loop after the initial reservation period expires. (Tr. 862). If one CLEC keeps a particular loop on reserve, another customer who wants to place an order for that loop could be precluded from obtaining that loop. (Tr.

873-74). While Mr. Szanfraniec testified that safeguards could be implemented to prevent anti-competitive behavior, he admitted that AI would be burdened with the responsibility of implementing such safeguards. (Tr. 862).

According to AI, the CLEC proposal places an additional burden on a customer's ability to freely "shop around" and purchase service from another CLEC. For example, if one CLEC places a loop on reserve for a customer, and that customer decides to purchase service from another CLEC, it is possible that the loop necessary to provide the service would already be reserved by the first CLEC, and thus removed from the available pot. Mr. Szanfraniec testified that in such a circumstance, the customer would be required to notify the first CLEC that he prefers to purchase service through another carrier, cancel the loop reservation, and then re-contact the second CLEC to place an order. (Tr. 866-67). Such an approach complicates both the shopping process for customers and the competitive process for other CLECs.

Finally, AI maintains that Covad's request for terminal makeup information should be rejected because it is overly broad and vague. Providing CLECs with unlimited access to the technical makeup information is unnecessary for CLECs to serve their customers. Because the evidence does not indicate exactly what information Covad wants, it is difficult for AI to conceive the extent to which Covad's proposal would adversely affect competition. AI contends, however, that Covad's blanket request does not preclude the possibility that CLECs could gain access to confidential and proprietary information that would allow CLECs to engage in anti-competitive behavior.

Based on the foregoing, AI recommends that the Commission deny the CLECs' request concerning Issues 29 and 31 and make no changes to the POR based on that request.

CLEC Position:

The CLECs set forth three specific requests relating to AI's loop selection process:

First, the CLECs request that AI provide the CLECs with the spare loop availability functions available in its operational support systems (*See* Covad Initial Comments at 5). The CLECs argue that the "ability to access such information is critical to allowing Covad and other CLECs to offer service broadly to Illinois consumers." (Id. at 5). According to CLECs, the loop qualification process AI currently has in place, restricts CLECs to offering the types of advanced services that only one particular loop can support (*See* Id. at 6.). Since each loop has different characteristics and is capable of offering different levels of service, the CLECs reason that they should be made privy to information related to all available loops (*See* Id. at 8). Covad asks

that the loop availability function it is requesting be provided by December 31, 2000 (*See* Id. at 9).

Second, the CLECs seek access to the loop reservation functionality in AI's OSS (*See* Covad Initial Comments at 9). According to the CLECs, AI's OSS currently reserves loops, but this type of functionality is not offered to Illinois CLECs (*See* id. at 10). The CLECs contend that having loop reservation as a pre-ordering function will ensure that the loop used to qualify an order matches the loop actually provisioned. As the situation currently exists, a CLEC may find itself in the unenviable position of having promised a customer a certain type of service during the pre-ordering phase only to have to later inform that customer they cannot get the particular service they were promised because AI actually provisioned a different loop (Id. at 10).

Third, the CLECs seek terminal configuration information which they claim is stored in AI's OSS in order to determine what options they can offer their end-user customers (Id. at 11). The CLECs contend that the geographic location of an end-user customer can determine the type of facilities that serve that customer (i.e. copper facilities, fiber facilities or both). (Id.) According to the CLECs, significant differences exist in the manner and types of services a DSL provider may provide to a customer when the terminal is served by copper cable versus fiber cable (Id.). As a result of these differences, it is vital that CLECs have the ability to access the terminal configuration information stored in AI's OSS to determine all available alternatives for providing DSL service to a particular customer (Id.). The CLECs demand that AI offer CLECs access to the terminal configuration inquiry by December 2000 (*See* Covad Initial Comments at 12).

Covad proposes POR language changes to reflect their position on the above issues.

Staff Position:

Loop qualification is available today by using the AI pre-order Local Service Request (LSR) process. This process selects a single "qualified compatible facility" predicated on data selected from specific fields on the service request that defines the product/service being ordered. In Staff's view, AI should not be given authority to make a judgment call on behalf of a CLEC as to which loop may best serve the CLEC's end-user customer (Staff Initial Comments at 39).

Staff maintains that CLECs should have access to view the make-up of all loops that are available to serve their end customers and be given a choice in determining which loop they are assigned. Other ILECs provide this service:

- Bell Atlantic - allows CLECs to see details for a maximum of 10 available loops.
- Bell South - allows up to 4 available loops to be viewed
- Quest - has built a new tool for customer viewing of raw loop data.

Staff believes that this should remove any doubt as to whether AI has the ability to provide the requested functionality. (Staff Comments at 35). Moreover, Staff argues, there is a real economic impact on CLECs since the time and cost of performing conditioning activities to the loop is based upon the features of each particular loop. As the record clearly demonstrates, AI charges for loop conditioning vary. AI charges $905.82 for removal of a load coil; $528.97 for removal of a bridged tap; and, $326.86 for removal of repeaters (*See* Covad Initial Comments at 7). Staff recommends that AI be required to enhance its OSS to provide its wholesale customers with access to spare loop availability. (Comments 35).

With respect to loop reservation functionality, Staff believes that the spare loop availability functionality is adequate enough to satisfy the immediate business concerns raised by the CLECs. In Staff's view, allowing the CLECs access to view all spare loops during the qualification process so they can subsequently identify a specific loop during ordering would eliminate the necessity for a reservation process. Additionally, AI has not clearly indicated whether it is technically feasible for it to establish and support a loop reservation functionality at this time.

More importantly, Staff has serious concerns about the potential anti-competitive effects a loop reservation process may have on consumers if they are contacting different DSL providers to determine availability and price for a specific service. CLEC witnesses were presented with a series of hypotheticals during the evidentiary hearing showing the various ways in which a loop reservation process could be manipulated by CLECs in an anti-competitive fashion (*See* Tr. at 860-78). According to Staff, the CLECs could not offer a sufficient guarantee that anti-competitive behavior would not materialize. Nor have the CLECs proposed anywhere in the record any specific safeguards that might protect against such anti-competitive behavior in the future.

Staff, based on the evidentiary record in this proceeding, recommends the Commission require AI to offer the loop availability function requested by the CLECs. Staff believes competition in the advanced services market would be enhanced since CLECs would then have the ability to better service their end-user customers. The number of loops that should be made available for viewing by the CLECs, Staff maintains, is a subject better left to negotiation amongst the parties. Should AI be required by the Commission to offer the spare loop availability functionality requested by the CLECs, Staff believes that neither the loop reservation functionality or the

terminal configuration information which the CLECs also seek is necessary at the present time.

Analysis and Conclusion

We agree with Staff that AI should provide information on more than one loop in the pre-ordering stage. As requested by CLECs, AI should provide information on a maximum of ten (10) loops during the pre-ordering stage. The UNE Remand Order states, "the incumbent LEC must provide loop qualification information based, for example, on an individual address or zip code of the end users in a particular wire center, NXX code, or on any other basis that the incumbent provides such information to itself." (Para. 427) AI should not pick a loop for the CLEC based on the limited information about the service they plan on offering, but should instead, as the FCC requires, provide information on loops based on a particular address.

AI argues that its retail operations are only given information on a single loop in the pre-ordering process and, therefore, it should not be required to give more information to the CLECs. However the FCC made clear that "the relevant inquiry is not whether the retail arm of the incumbent has access to the underlying loop qualification information, but rather whether such information exists anywhere within the incumbent's back office and can be accessed by any of the incumbent LEC's personnel." (UNE Remand Order, Para. 430) The Commission is also concerned that in order for a CLEC to get information about a loop they must tell AI which service they plan on offering. This is proprietary information. The service that the CLEC is providing is not information that AI should have access to. A CLEC should merely have to provide an address and then have information on multiple loops returned to them.

AI's optimization processes during both the pre-ordering and ordering stages of the DSL Loop Qualification process are anti-competitive in our view. Currently AI requires a CLEC to tell them what services they plan on offering an end-user. Based on that information, AI's computer selects a loop for the CLEC to use. The CLECs, however, should have the ability to choose a loop based on the service they want to provide a customer and not have to disclose to AI what services they will be providing. We also find persuasive, as did Staff, AI's answer to data requests regarding the cost of conditioning a loop. AI charges $905.82 for removal of a load coil; $528.97 for removal of a bridged tap; and, $326.86 for removal of repeaters (*See* Covad Initial Comments at 7). If a CLEC can avoid these costs by choosing a different loop, that option should be available to them.

We believe that this information already exists in a mechanized form as AI is able to return the information from the optimization process in a matter of seconds. To the extent, however, that AI does not maintain this information in a mechanized format,

AI is required to provide the information to CLECs in the same manner and timeframe that the information is available for AI personnel, i.e. manually, if such is the case. (UNE Remand Order, para. 430, 431).

AI is required to implement a method of identification for each of the up to ten loops returned to the CLEC during the pre-ordering stage. A CLEC should have the ability to verify that it is receiving access to the same loop in the ordering stage that it had identified during pre-ordering - assuming the loop is still available.

AI is also required to meet with the CLECs and jointly determine the specific fields that will be returned with the pre-order inquiry. AI is required to ensure that the pre-order inquiry function will return information sufficient to allow CLECs to make their own determination as to the loop they want, based on the type of service they want to offer their customers.

CLECs request that AI implement this functionality by December 31, 2000. AI contends that this request would be "burdensome" and "unreasonable" and would require AI to "substantially reconfigure" its systems. In light of this, the Commission orders that the aforementioned loop availability pre-ordering and ordering functionalities be included with the March, 2001 release.

The Commission agrees with Staff and AI that loop reservation should not be allowed at this time. The possibilities for anti-competitive behavior on the part of individual CLECs from this process are far too abundant.

Furthermore, the Commission rejects Staff's and AI's position that CLECs' terminal makeup request should not be granted at this time. They claim the proposal is vague and, as Staff suggests, is simply not necessary because of the information that will be provided by AI in the loop qualification process. As we understand the CLEC concern, the information provided in the loop qualification process does not meet their needs. The CLECs require terminal configuration information in order to determine the alternatives available for providing DSL service to a particular customer and to assist them in planning for subloop ordering. (Covad and Rhythms Brief on Exceptions, p. 21). AI, in its Reply Brief on Exceptions, argues that the UNE Remand Order does not require that this information be provided to CLECs. (AI Reply Brief on Exceptions p. 55). We find, however, that although the UNE Remand Order does not explicitly require terminal makeup information, it does recognize the need for a CLEC to "determine whether the loop is capable of supporting xDSL and other advanced technologies." (UNE Remand Order, para. 426).

Based on the evidence in this proceeding, we find that AI must provide CLECs with information on terminal makeup. We want to clarify that this means that AI will provide CLECs with information on the engineering capabilities of the system. It does

not mean that CLECs will have unfettered access to information contained in AI's systems. Indeed, CLECs must not have access to confidential customer information or proprietary information regarding the services that AI provides to its customers. We direct that the POR be amended to reflect our decision to require AI to provide sufficient information on terminal makeup in order for CLECs to determine the type of services they may offer to end customers.

Issue 34:
DSL Loop Qualification - Information Update Process.

The parties have settled this issue.

Issue 42:
Unsolicited 865 Transactions

In settlement of this issue, as per their joint filing on January 8, 2001, the parties agree as follows:

In the interest of addressing CLEC concerns regarding the manner in which Ameritech Illinois provides 865 notices, and in the interest of improving processing of CLEC orders, Ameritech Illinois will implement Provider Initiated Transactions ("unsolicited 865") to notify CLECs of necessary changes that have been made to previously confirmed orders, in the following manner:

1. Ameritech Illinois will provide the Purchase Order Number (PON) and Version (VER) of the most currently processed Local Service Request ("LSR") in its transaction which will allow the CLEC to associate the 865 to the appropriate LSR in its system.

2. In the design and operation of the work center processes it employs to create the 865s, Ameritech Illinois will ensure that its representatives consider order supplements that also may relate to the confirmation being modified and accommodate the changes made by those supplements in the 865 notice.

3. Ameritech Illinois work centers staff will endeavor to keep 865 transactions at the minimum level necessary to ensure the efficiency and effectiveness of the 865-notification process.

4. Ameritech Illinois will provide for coding the transactions with a clear and unambiguous indicator(s) reflecting the underlying reason for the change in confirmation. The codes will assist Ameritech Illinois and CLECs in administering the performance measurements that relate to confirmations, jeopardies and the timeliness of the unsolicited 865s. For example, codes assigned to jeopardy

conditions for due date changes will be distinguishable from those for telephone number changes; codes for changes in service order numbers will be distinguishable from those for circuit number changes.

5. Ameritech will work collaboratively with the CLECs in the Phase III Category IV collaborative at the FCC in developing an underlying reason coding scheme consistent with both industry standards and the CLEC need for information about the underlying reasons for the transactions. Refinements and changes in reason codes and 865 processes that arise in the future will be proposed and implemented consistent with the Change Management Process.

6. On or before February 14, 2001, Ameritech Illinois will implement the activities and work described in paragraphs (2) and (3) above. Ameritech will use the time before February 14, 2001 to conduct the training and internal work necessary to undertake the activities and work described in paragraphs (2) and (3) above.

7. All the Unsolicited 865 process improvements described in paragraphs (1)-(4) and (6) above, will be made available in the March 2001 ordering release along with the implementation of the modifications to Ameritech Illinois systems to support full refresh supplemental orders by March, 2001, in the same manner as is utilized in the other SBC regions. Implementation of the reason codes as agreed upon and as described in (5) above, will take place with the implementation of Phase II of the uniform ordering interface as described in the FCC Uniform and Enhanced OSS POR.

This settlement language is agreeable to the Commission and is made part of the instant Order.

Issue 46: Coordinated Hot Cuts.

Issue 47: Desired Frame Due Time.

Issues 46 and 47 are related. In settlement of these issues, as per their January 9, 2001 filing, the parties agree as follows:

1. Ameritech Illinois will conduct a dial tone/ANI test on the day of cut, as a matter of course. In addition, for those CLECs who so desire, Ameritech Illinois will also conduct a dial tone/ANI test on due date minus 2 (DD-2). A CLEC who desires dial tone/ANI testing on DD-2 as a matter of course need only provide Ameritech with a single notice of such request. Once Ameritech receives such notice from a particular CLEC, it will conduct DD-2 dial tone/ANI testing for all

cutovers requested by that CLEC as a matter of course and at no additional charge. In the next 30-60 days, Ameritech will engage in further good faith collaboration with the CLECs to define the new routine process taking into account their views and concerns. The parties agree that the coordinated hot cut process will be tested in the Phase 3 third-party test taking place pursuant to Condition 29 of the Merger Order.

2. Ameritech Illinois will not charge CLECs for dial tone/ANI testing if it is done on a routine basis on DD-2 pursuant to the CLEC's request and /or on the date of cut. In addition, Ameritech will provide a dial tone/ANI test on a separate date as requested by the CLEC, subject to applicable charges.

3. Ameritech Illinois and the CLECs will engage in further good faith collaboration to address the timing of notice in instances where a dial tone/ANI test fails on DD-2 due to a CLEC trouble. Unless a different process results from the collaborative, Ameritech Illinois will provide notice to the CLECs of a failed dial tone/ANI test conducted on DD-2 no later than 4 business hours after such test, or by 10 am on DD-1, whichever occurs first. In addition, Ameritech Illinois will discuss potential procedures in the event a failure is found during such dial tone/ANI test performed on DD-2. In any event, if a dial tone/ANI test is conducted on DD-2 Ameritech will perform another dial tone/ANI test as a matter of course on the date of cutover.

4. Ameritech Illinois will provide CLECs with status updates every two hours until the order is completed for all hot cuts that fail at the time of the originally scheduled cutover. In instances where trouble is reported after order completion, a status update will be available via Electronic Bonded Trouble Administration (EBTA) on a real-time basis.

5. Ameritech Illinois will implement "flags" for desired frame due times for Coordinated Hot Cuts (CHC) consistent with industry guidelines, if and when such flags are included in these guidelines and upon a request from a CLEC and consistent with its then current Change Management Policy (CMP).

6. Ameritech will test and implement a "non-coordinated" frame due time hot cut process. Ameritech will enter into good faith collaboration with CLECs to define methods and procedures necessary for such process. Such discussions will begin in December, 2000, and will be concluded within 30-60 days. At the conclusion of the discussions, the participating parties will file a joint report advising the Staff of the resolution of issues. The parties agree that the frame due time hot cut process will be tested in the Phase 3 third-party test taking place pursuant to Condition 29 of the Merger Order.

The settlement language on Issues 46 and 47 meets with no objection from the Staff, is agreeable to the Commission, and is made a part of the instant Order.

Issue 56:
Cooperative Testing-Loops

(a) Is ISDN testing within the scope of this proceeding?

(b) If so, should NorthPoint's proposal for test kits be adopted?

(c) Should the Commission adopt the guidelines suggested by NorthPoint for implementation?

Addressed by: AI, NorthPoint, Covad/Rhythms

Background

The issue here is whether AI should have to perform acceptance testing and cooperative testing on xDSL-capable loops for CLECs. (Joint Petition, Exh. A at 18; NorthPoint Init. Comments at 3-12). "Acceptance testing" is testing to ensure a loop is working properly at the time it is first provisioned to the CLEC. (Tr. 583). "Cooperative testing" is testing performed after maintenance on a CLEC's loop to make sure the loop has been repaired. *Id.* The parties have been able to settle this issue to a certain point. AI has agreed to perform both acceptance testing and cooperative testing for xDSL-capable loops. (Tr. 587). NorthPoint however believes that x-DSL capable encompasses ISDN loops and therefore AI should be required to test these loops as well.

AI Position

AI understood that the issue with respect to xDSL was settled. AI contends, therefore, that the additional issue raised by NorthPoint should not be addressed in the context of this proceeding. Acceptance and cooperative testing of ISDN loops is beyond the scope of this proceeding, because it is not an issue that has been raised in this arbitration or discussed in the OSS collaborative. AI continues to work with NorthPoint to resolve this issue in a manner acceptable to both parties.

When the parties settled this issue on the Friday prior to the hearings, AI maintains that NorthPoint raised an entirely new issue in negotiations with AI. This new issue concerns ISDN loops, and not xDSL loops, and is whether AI must purchase a specific type of test set (a TPI 550) for all its field technicians and train them to use it for acceptance and cooperative testing on ISDN loops. According to AI, the parties continue to discuss this issue but have yet to resolve it. A TPI 550 test set is a piece of equipment that a field technician would place on the ISDN loop that allows the loop to be tested for ISDN capability.

AI claims that the competitive impact on it, in terms of the money spent to buy thousands of test sets and train technicians how to use them, would be substantial. In contrast, the effect of not using such test sets is unknown and the record in this case is inadequate to determine whether there may be other, less financially onerous ways of doing the same testing that are just as effective. Therefore, AI recommends that the Commission take no action with respect to Issue 56.

CLEC Position:

Cooperative testing has become standard practice in the industry for isolating maintenance problems and verifying successful resolution of trouble tickets. In the absence of cooperative testing, CLECs will be forced to rely on AI's representation that a maintenance and repair issue has been resolved. The experience of CLECs is that they cannot reasonably rely on such representations.

AI and CLECs have reached agreement on testing for x-DSL capable loops. The CLECs, however, maintain that the collaborative issue also included testing on ISDN loops which are x-DSL capable. NorthPoint, therefore, states that this issue is not settled and recommends that the Commission adopt its proposal for testing ISDN loops.

NorthPoint states that it is more experienced with cooperative acceptance testing and is therefore in a better position to propose proper procedures than is AI - which has no experience in this area. NorthPoint further states that their proposal is consistent with successful cooperative acceptance testing in other ILEC regions.

NorthPoint suggests that AI needs to purchase "test sets" that are used to test ISDN loops. It argues, however, that obtaining these test sets would not require a large capital outlay because it would not be necessary for AI to purchase these test sets for all of its technicians. According to NorthPoint, AI need only assign a limited number of its technicians to focus exclusively on provisioning and maintaining DSL loops. In response to AI's claim that this practice is too expensive, CLECs point out that Rhythms and others are willing to pay the cost of dispatching the ILEC technician when the trouble lies in the CLEC's network.

NorthPoint also suggests in its final comments that certain goals be adopted by the Commission. Specifically it requests that:

(1) AI should conduct cooperative acceptance tests on at least 90% of all ADSL-capable loops by November 8, 2000.
(2) AI should conduct cooperative acceptance tests on at least 90% of ISDN loops and maintenance tickets opened on ISDN loops by January 8, 2001.

(3) AI should conduct cooperative acceptance tests on at least 90% of all maintenance tickets opened on ADSL-capable loops by November 8, 2000. (NorthPoint Final Comments, p. 18-19).

Similarly, Rhythms and Covad suggest that the Commission adopt the following performance targets:

(1) Within 30 days of the issuance of an order in this case, AI should provide loop acceptance testing for at least 80% of the loops (whether xDSL or ISDN) for which CLECs request such testing.

(2) Within 90 days of the issuance of an order in this case, AI should provide loop acceptance testing for at 90% of the loops (whether xDSL or ISDN) for which CLECs request such testing.

(3) Within 30 days of the issuance of an order in this case, AI should provide cooperative maintenance testing for at least 80% of the loops (whether xDSL or ISDN) for which CLECs request such testing.

(4) Within 90 days of the issuance of an order in this case, AI should provide cooperative maintenance testing for at least 90% of the loops (whether xDSL or ISDN) for which CLECs request such testing.

Rhythms and Covad request that the Commission establish certain incentives to encourage AI to meet these deadlines: AI should be required to refund to the CLEC $50.00 of the non-recurring charges for each loop AI fails to test during any month in which AI fails to meet the 80 percent or 90 percent threshold, respectively.

Analysis and Conclusion

The Commission finds that loop acceptance testing and cooperative maintenance testing are important means for improving the quality of service provided by CLECs to their end user customers. Furthermore, we find that ISDN is properly within the scope of this proceeding. NorthPoint attached a letter to Thomas Harvey, Vice President of SBC Wholesale Markets, dated September 12, 2000 which reads: "NorthPoint protests SBC's decision not to provide cooperative acceptance tests on ISDN loops." (Exhibit 5 of NorthPoint Final Comments). AI cannot now claim that it was unaware of this issue. Additionally, the hearing record shows that, in fact, ISDN was discussed. (Tr. 580-581).

The Commission finds NorthPoint's proposal for the use of certain test kits to be reasonable. NorthPoint states that the test kits are "effective and easy to use." (NorthPoint Final Comments, p. 7). In addition, NorthPoint points to other ILECs, such

as Verizon, that successfully use these test kits. Furthermore, AI has agreed to purchase sufficient TPI 550+ test kits to perform advanced testing on xDSL-capable loops and NorthPoint and other CLECs have agreed to pay for the testing. The Commission finds this to be appropriate and further orders that the cost of testing be reasonably adjusted to include the cost of purchasing the test kits.

NorthPoint and Covad, in their Briefs on Exceptions, raise several additional issues that we must address. First, NorthPoint asks that we require AI to adopt an amendment to their Interconnection Agreement. We cannot fulfill this request because this proceeding is an industry wide arbitration. Amendments to Interconnections Agreements should be brought under a 47 U.S.C. §252 proceeding between the parties to the agreement. Second, NorthPoint requests that the Commission monitor AI's performance of cooperative acceptance. We are, however, reluctant to burden the Staff of the Commission with monitoring in instances where Staff has not taken the position that monitoring is appropriate or necessary. The third suggestion, set out by Covad, is that the Commission adopt a penalty mechanism for situations where AI fails to meet certain performance levels. This was first proposed by Covad in their final comments and was not discussed by the parties at hearing nor is this proposal indicated on the parties' issues list for this proceeding. Further, we have no evidence of the reasonableness of the proposed penalties or any other particulars and, for all these reasons, the Commission rejects Covad's proposal.

The remaining issue is the schedule for implementation of cooperative acceptance testing. In its Reply Brief on Exceptions, AI agrees to perform acceptance testing on 90% of xDSL-capable loops and ISDN loops within 90 days of this Order. Further, AI indicates that it began cooperative maintenance testing on xDSL-capable loops on December 1, 2000 and issued an Accessible Letter for such testing on December 5, 2000. AI agrees to perform cooperative maintenance testing on 90% of xDSL-capable loops within 90 days of this Order. We find AI's proposals for implementation to be reasonable.

AI, unlike the CLECs, has failed to address cooperative maintenance tickets for ISDN loops as a stand-alone issue. For the other types of testing, AI has agreed to the CLEC 90% in 90 days proposal, but objected to the 80% in 30 days proposal. Therefore, in accord with this record, we will adopt as a deadline for cooperative maintenance tickets, testing of 90% within 90 days of this Order.

Issue 62:
Directory Listing Ordering and Inquiry

In settlement of this issue, as per their joint filing on January 8, 2001, the parties agree as follows:

1. On or before June, 2001, Ameritech Illinois will incorporate the functionalities of its OSS interface and Ameritech Advertising Services Electronic Data Interchange (EDI) interface so that CLECs can use a single Ameritech interface for service orders for directory listing.

2. Ameritech Illinois will develop a preordering listing inquiry for all directory listings in Ameritech regional white page directories that are maintained by Ameritech Advertising Services (AAS), subject to the following conditions:

   a) by September 2001, Ameritech Advertising Services' existing GUI interface listing inquiry will be modified to allow a CLEC access to the listings of other CLECs' end user customers (served by all order types) albeit subject to AAS' legal restrictions or contractual obligations with other CLECs;

   b) in addition, this preordering directory listing inquiry function will be added to Ameritech Illinois' single preordering and ordering application-to-application and GUI interfaces by June 2002. Such enhancements will allow CLECs access to the listings of other carriers to the extent, and in a manner, that is consistent with Ameritech's legal restrictions and contractual obligations. Ameritech will work cooperatively with CLECs to enable such sharing of directory listings between CLECs, including but not limited to the development of a proposed model contract amendment to existing CLEC-AAS contracts; and,

   c) the issue of whether the September 2001 enhancements should be part of Phase 3 of Condition 29 of the Merger Order will be decided by the parties in the context of their discussions concerning the Phase 3 Master Test Plan (MTP). The parties agree that the deployment of the functionality due in June 2002 (as described in this paragraph) is outside the scope of Phase 3 of Condition 29 of the Merger Order and will not be part of the third party test nor considered an entrance or exit criteria, of the MTP associated with Condition 29 of the Merger Order; provided, however, if such third party testing or Phase 3 of Condition 29 is still in progress at the time Ameritech Illinois deploys the interfaces scheduled for June 2002, such interfaces shall be considered as part of such test and Phase 3 of Condition 29.

This settlement of Issue 62 meets with no objection from Staff and is hereby adopted by the Commission and is made a part of the instant Order.

Issue 73:
UNE-P: Ordering, Billing

(a) Should the Commission, in this proceeding, specify when AI must make available the UNE platform for new customers and additional lines?

(b) Should the Commission order AI to implement CABS billing for UNEs and UNE combinations prior to its October 2001 commitment?

Addressed by: AI, Staff, WorldCom and Joint Small CLECs.

ISSUE 73(a)

Background:

CLECs contend that AI should be required to combine UNEs to create an end-to-end "platform" of UNEs referred to as the UNE Platform or "UNE-P." Generally speaking, a UNE-P is a combination of a local loop, shared transport, and unbundled local switching that allows a CLEC to provide end-to-end service over UNEs without owning any facilities itself. AI already provides the UNE-P for *existing* combinations of UNEs.

The dispute here is whether AI should be required to affirmatively combine UNEs for CLECs to create a UNE-P or other type of UNE combination. Specifically, WorldCom contends that AI should be required to combine UNEs that are not already combined when a CLEC requests a UNE-P to provide a customer with a new line or a second line.

AI Position:

According to AI, Issue 73(a) is beyond the scope of this proceeding and should not be decided here. The question of whether AI must combine UNEs for CLECs is fundamentally a product question that relates to *what* AI should provide to CLECs, not *how*, from an OSS perspective, existing products should be provided. Moreover, the CLECs' request is directly inconsistent with the 1996 Act, as any requirement that ILECs combine UNEs for CLECs would violate the plain meaning of Section 251(c)(3) of the Act, and therefore is pre-empted.

According to AI, because this issue is well beyond the scope of this proceeding and will certainly be addressed on other cases (such as the ongoing Part 790 rulemaking in Docket 99-0511 and arbitrations under Section 252 of the 1996 Act), its competitive significance is not germane to this case or to any language in the POR. Ameritech points out further that Congress has set out broad guidelines for what is

needed to promote competition, and the plain language of the 1996 Act requires CLECs to combine UNEs for themselves, not to require ILECs to do that work for them.

CLEC Position

WorldCom maintains that Issue 73(a) is proper for this arbitration. As authority for its position, WorldCom cites the Illinois Merger Order which states that "[a]ny issues related to OSS systems and or OSS processes will be open for discussion during Phase 2."

WorldCom believes that the Commission should decide whether AI is obligated to provide UNE-P to new customers or customers ordering additional lines; and, if not, whether the Commission has the authority to, and should, obligate AI to provide UNE-P service to CLECs serving new customers or additional line customers. WorldCom argues that the Ninth and Fifth Circuit have upheld state Commissions that have required ILECs to combine elements at the request of CLECs. WorldCom also notes that Illinois is outside of the Eighth Circuit's jurisdiction, allowing the Commission freedom to decide its policy independently of the Eighth Circuit.

According to WorldCom, AI has misinterpreted the term "currently combines." As support for this, WorldCom points to the fact that AI's original ordering guide for the UNE platform allows for new and additional line CPO service. Further WorldCom asserts that the FCC interprets "currently" to mean "ordinarily." To interpret the term narrowly would make the term discriminatory and this, according to WorldCom, was not the FCC's intent.

WorldCom asserts that the Commission should find that restrictions on UNE-P prohibits the use for new customers, and additional lines are unreasonable and constitute a barrier to entry. Accordingly, WorldCom urges the Commission to direct AI to implement OSS that support pre-order, order, maintenance and repair, and billing for CPO where it is utilized to serve new customers, and additional lines. Any decision to the contrary, states WorldCom, would freeze CLECs out of a large and significant portion of the residential and small business customer market.

Staff Position:

While Staff has a number of views on the substantive issue, it maintains that this proceeding is not the proper forum for CLECs to pursue their "product" issues. According to Staff, the Commission indicated that Phase 2 "should not be limited to the specific OSS systems and issues identified in SBC/Ameritech's RPOR. Any issue related to OSS systems and or OSS processes will be open for discussion in Phase 2." (Illinois Commerce Commission On Its Own Motion, Docket 00-0271, Approval of the Plan of Record required by Condition 29 of Docket 98-0555, Order, issued April 5,

2000, at 6.) Staff maintains that while this language may be broad, it is scarcely open-ended enough to permit the CLECs to bring the UNE-P issue within the scope of this docket. The intent of this proceeding is, after all, to resolve OSS issues.

There is, however, one aspect of the CLEC argument that Staff wishes the Commission to consider, as it does properly relate to OSS. Ameritech has implemented procedures to determine which service order types are processed electronically, and the exceptions that cause manual processing. (Rhythm Links Cross-Examination Exhibit No. 18; Tr. at 484-07.) Under these procedures, "New/Add" types of orders for the Combined Platform Offering (CPO) or UNE-P are mechanically processed. (Id.) The Ameritech Service Ordering Guide for CPO, attached to WorldCom Comments as Attachment B indicates that these terms refer to the services that CLECs are asking for in this case. (WorldCom Initial Comments, Appendix B at 9-11.) It appears, therefore, that based upon this procedure, a new line order or an additional line order would "flow through" the ordering process. However, Ameritech's position is that this service will not actually be provisioned. To implement this policy, Ameritech would need to alter the provisioning process to manually check *every* order to see if it is a new line or additional line. Such a practice would, hypothetically, slow the processing of all CPO orders because all orders would have to be checked to determine if they are "already connected." (As no CLEC has ordered the CPO offering, this has not yet been an issue. However, as has been noted, Ameritech is required to offer a UNE-P product under at least some, and arguably a good many, circumstances. Accordingly, at such time as CLECs begin to purchase Ameritech's UNE-P offering, this will certainly result in problems.)

Staff, therefore, does recommend that the Commission require Ameritech to correct its "flow through" protocols as set forth in Rhythm Links Cross-Examination Exhibit No. 18, so that whatever UNE-P product it ultimately offers or is required to offer can be ordered without the current likelihood that manual intervention will be required in all cases.

ISSUE 73(b)

Background:

This is a timing issue. It is undisputed that AI will implement CABS billing for UNEs. The only question is *when* AI should make the transition. WorldCom and the Small CLECs contend that AI should implement CABS BOS BDT format billing (hereafter "CABS") by December 2000. AI plans to implement CABS billing in October 2001, consistent with the FCC's Uniform and Enhanced OSS POR. In the meantime, AI is instituting AEBS format billing (October 2000), and plans to implement EDI 811 format billing in January 2001. (AEBS stands for Ameritech Electronic Billing System and is based on a former Bellcore guideline format. EDI 811 is a guideline billing

format overseen by the Telecommunications Industry Forum, which has both CLEC and ILEC members, and thus is more nationally recognized. CABS BOS BDT stand for Carrier Access Billing System Billing Output Specifications Bill Data Tape, which is a guideline format overseen by the Ordering and Billing Forum.) Although WorldCom has argued that billing in a CABS format is necessary for it to audit AI's UNE bills (Tr. 377), it is the data elements available with a bill (*i.e.*, the specific types of data provided), not its format, that are used for auditing. Tr. 348. Indeed, although parties often refer to industry-standard billing "formats," the industry's Ordering and Billing Forum ("OBF") only set guidelines for data elements, not formats. Tr. 333. The AEBS and EDI 811 billing formats provide many of the same data elements as CABS, and WorldCom admits that EDI 811 is widely used in the industry. WorldCom Init. Comments at 29. AI's response to Staff Data Request 73-5.04 (Cross Ex. 13), provides a comparison of the data elements provided under each billing format.

AI Position:

With respect to Issue 73(b), AI has agreed to provide CABS billing by October 2001, consistent with the FCC's Uniform and Enhanced OSS POR. Developing and transitioning to the CABS billing system, according to AI, is technically complex, laborious, and represents a project of great magnitude. Thus, AI is not able to complete the transition by December 2000 as requested by WorldCom. AI further points out that WorldCom is the only CLEC to request an expedited transition to CABS billing.

CLEC Position:

WorldCom requests that Ameritech implement a Carrier Access Billing (CABS) billing format for all UNEs and combination of UNEs. (*See* WorldCom Initial Comments at 24.) CABS is an Industry Standard format for billing which has been in use for years in the interexchange access business.

WorldCom contends that the current billing format utilized by AI in Illinois is a non-industry standard format which produces bills that cannot be audited. (Id. at 25.) CLECs believe it is patently unfair for them to be forced to pay bills without the ability to verify their accuracy. WorldCom points to errors such as wrong rates, wrong elements, invalid mileage, wrong Non Recurring Charges which can all lead to hundreds of millions of dollars in overcharges if left unchecked. (Id. at 25.)

According to WorldCom, both Pacific Bell and SWBT currently provide CABS billing for UNEs and combinations of UNEs. (*See* id. at 24.) WorldCom, therefore, believes there is no reason why AI should not be required to implement CABS billing sooner than October 2001. Additionally, WorldCom argues that Ameritech should have followed industry guidelines and implemented CABS billing two years ago (August 1998) but failed to do so. (Tr. at 332-33.) WorldCom would like to see a CABS billing format implemented in Illinois by December 2000. (Id. at 25.)

McLeodUSA and Birch also ask the Commission to require AI to implement CABS billing prior to October 2001.

Staff Position

Staff recognizes the advantages to a CABS billing system. (*See* Staff Initial Comments at 49.) It, however, disagrees with the CLEC request to accelerate the implementation of CABS here in Illinois, ten months ahead of schedule, given the complexity involved in developing and implementing this billing format. Ameritech has indicated migrating from the ACIS system to the CABS system is a significant undertaking which takes time. (*See* WorldCom Cross Exh. #9 (Ameritech Response to

Staff Data Request 73-5.03).) During the evidentiary hearing, Ameritech also explained why it would be difficult to devote additional resources to this particular project at the present time. (Tr. at 371-372.) Although, as the CLECs correctly point out, Ameritech had an opportunity to implement CABS billing two years ago, Staff does not believe that speeding up the implementation process at this point is prudent for the aforementioned reasons.

In the end, Staff agrees that the October 2001 target date for implementation of a CABS billing format here in Illinois is appropriate.

Reporting:

While AI indicates its plans to evaluate its progress on this project at different stages, Staff still recommends that the Commission require AI to provide bi-monthly reports on the progress of its CABS implementation initiative. (Tr. at 371.) Specifically, the Commission should order AI to provide a report to the Commission no later than the 15th of every other month. The report shall include a comprehensive and detailed evaluation of the project plan being used to track and manage the implementation of the CABS billing initiative. The project plan should include all major milestones related to the project along with the estimated and actual target dates for each milestone. Any changes from the previous report regarding planning assumptions or schedule changes should also be noted and an explanation should be provided for those changes. The overall impact of any such changes on the project should also be clearly identified and reported to the Commission. According to Staff's Brief on Exceptions, the Commission should also direct that those reports be verified by an AI Officer and that the report be filed with the Chief Clerk of the Commission in a form suitable for posting to the Commission's web page. Staff also recommends that the Order specify that all such reports will be public records available for inspection and copying. Staff believes the aforementioned report will inform the Commission and the CLECs as to Ameritech's progress toward meeting its committed October 2001 implementation date.

Conclusion:

73(a)

We share Staff and AI's view that the CLECs raise an issue here that is flatly outside the scope of this proceeding. Thus, while both Staff and AI set out a number of viable challenges on the merits of the CLEC proposal, we need not go any further. With respect to Staff's proposal, we believe that the matter falls within the collaboratives that the parties have agreed to under Issue 18.

73(b)

On the basis of the record, we believe that having Ameritech develop and transition to the CABS billing system by December 2000 not be prudent on our part. As WorldCom admits, the CABS billing system must be "properly formatted" and "bill receipt, audit, and payment is predicated on a predictable, well defined electronic bill format." (WorldCom Init. Comments at 28.)

Moreover, Staff informs us that billing systems are some of the telecommunication industry's most complex systems. In Staff's view, rushing the implementation process may prove more detrimental than beneficial in the long run and thus, it does not recommend accelerating the implementation of the CABS billing system for all UNEs. (Staff Init. Comments at 48). We agree that it is foolhardy to risk the development of a faulty billing system that would adversely affect all CLECs that order UNEs., and hence reject the CLEC proposal.

AI, in this one instance, opposes the reporting requirements sought by Staff. According to AI, such reporting is unnecessarily burdensome and unhelpful to its efforts. Further, AI maintains, such detailed and publicly available reporting requirements could lead to micromanagement of AI's efforts on the part of CLECs or Staff. In our view, Staff's recommended reporting requirement is set out in general terms and lacks a clear and substantial basis. Hence, we accept AI's position that, reporting in this instance is unnecessary. By this Order, we direct AI to implement CABS billing by October, 2001.

Issue 74:
Line Splitting

Should the Commission, in this proceeding, decide to require AI to provide the splitting function on loops which two CLECs wish to share despite an FCC ruling to the contrary?

Addressed by: AI, Staff, AT&T

Background:

AT&T asks that AI be required to facilitate what AT&T calls "line splitting" by providing AT&T with a piece of equipment know as a "splitter." To understand the issue, we begin with the concept of line *sharing*. Line sharing occurs when an ILEC provides voice service on the low-frequency portion of a given unbundled loop and a CLEC provides data service to the same customer over the high-frequency portion of that same loop. Line sharing is required by the FCC's *Line Sharing Order*, which defined the high-frequency portion of a loop ("HFPL") as an unbundled network element. 47 C.F.R. 51.319(h). Line sharing is required only when the ILEC provides the voice portion of the service; thus, line sharing is not required when the CLEC

serves a customer through the UNE Platform, because in that circumstance the ILEC would no longer be providing the voice service. *Line Sharing Order*, ¶ 72.

One device that makes line sharing possible is a "splitter," which divides the voice and data signals that are transmitted concurrently over a copper loop into separate voice and data components. Once separated, the data frequency is routed to a Digital Subscriber Line Access Multiplexer ("DSLAM") (which may or may not be integrated with the splitter) and the voice frequency is routed to the central office switch.

AT&T is asking the Commission to require line *splitting*, which is different from line sharing. In a line splitting arrangement, AT&T would obtain a UNE loop as part of a UNE platform. AT&T then would provide the data service over that loop and find another CLEC to provide the voice service over the loop. To do that, AT&T would need to either install its own splitter to split the data and voice traffic with the other CLEC, or obtain a splitter from AI. AI does not provide splitters for that purpose today, and AT&T asks the Commission to order AI to provide splitters for line splitting on a "line at a time" basis.

AI Position:

AI opposes AT&T's request and recommends that the POR say nothing about any line splitting obligation. *First*, the request for line splitting is a request for a new product, which has nothing to do with specific OSS issues or any of the OSS functions. This arbitration is limited to address OSS issues only. *Second*, in any event, AT&T has no right to force AI to provide splitters. The FCC has held that no such obligation exists. *Third*, AT&T has raised this same issue in seeking rehearing of the *UNE Remand Order* and *Line Sharing Order*.

In the end, AI maintains that AT&T's requests for a line splitting product should be denied and its proposed POR language rejected.

Adopting its position on this issue, AI claims, would have no anticompetitive impact because that would simply maintain the status quo, which, as the FCC held, does not result in any discrimination against or among CLECs. *See Texas 271 Order*, ¶ 329. Further, there is no need to force AI to provide splitters because voice and data CLECs are already able to partner without any special participation by AI. For example, CLECs that share a collocation space can order an xDSL-capable loop and a local switch port and AI will deliver the loop to the CLECs' collocation space, after which they simply need to install a splitter to divide the loop as they choose. And CLECs with separate collocation spaces can also split a line by cabling between their collocation spaces to connect an unbundled switch port with their splitter. (Ameritech Init. Comments at 72).

CLEC Position:

AT&T states that the unbundled network platform (UNE-P) is virtually a necessary prerequisite to a CLEC's ability to provide a mass-market offering of telecommunications service to consumers. AT&T views the ability to provide "bundled" voice and data services over the same line as critical to serving its customers needs, and seeks in this proceeding the ability to provide line splitting to customers it serves using UNE-P. AT&T believes that in order for CLECs to achieve parity with AI in the ability to provide both voice and data services simultaneously over a single network access line, Ameritech must be compelled to provision line splitting through its OSS systems.

AT&T characterizes AI's arguments as twofold. First, it states that Ameritech views line splitting as "a product" and thus beyond the scope of this proceeding. Second, AT&T states that Ameritech argues that it has no legal obligation to provide line splitting. While AT&T concedes line splitting is currently available to those CLECs which collocate in every Ameritech central office, add their own splitters, and order and combine loop and switch ports themselves, these requirements are costly and inefficient.

AT&T urges the Commission to reject AI's arguments. AT&T states that the Telecommunications Act of 1996 requires "nondiscriminatory access" to network elements and all their "features, functions, and capabilities." In further support of this, AT&T refers the Commission to the FCC's Local Competition Order and its New York 271 Order. AT&T argues that because the higher frequency portion of loop (the portion of loop used to transmit data) is a feature or function of the loop, AI must provide access to that feature.

If AI is not required to offer line splitting in the manner it recommends, AT&T claims that it will be at a disadvantage *vis á vis* AI, inasmuch as AI's customers today can receive voice and data service simultaneously over the same line, while CLECs using UNE-P cannot provide their customers with the same service. AT&T contends that if AI is not required to develop OSS systems to support line splitting where AI provides neither voice nor data service to the end user, the development of the mass-market for high-speed data services will be delayed. AT&T requests that splitter capability be provided on a line-at-a-time basis by AI because providing splitter capacity is analogous to providing line conditioning.

As its final position, AT&T requests that the plan of record be modified to establish the right of CLECs to request line splitting, include the "line at a time" option for provisioning splitters, and the associated OSS. It leaves for further collaboration the detailed requirements needed to implement this requirement.

Staff Position:

Regardless of its views on the substantive matter, Staff cannot recommend that the Commission address the issue of whether AI is obligated to provide splitters in this docket. Such an inquiry, Staff asserts, is clearly outside the scope of this proceeding and, furthermore, squarely within the scope of a current Commission docket.

First, as Staff already explained with respect to Issue # 73(a), no issue regarding the technical, substantive nature of a product offering is proper for this case. In Staff's view, it is impossible to fully or meaningfully litigate either of these issues in an expedited docket. Moreover, Staff maintains, the Commission has clearly defined the scope of this docket to include "issue[s] related to OSS systems and or OSS processes." Thus, the relationship of the issue to OSS systems or processes must be more substantial than the fact that it involves a product which can be pre-ordered ordered, repaired, maintained, or billed for, which means, of course, any telecommunications product at all.

Second, the Staff notes that the Commission has a matter currently pending before it in which the issue of whether SBC/Ameritech is required to offer line splitting is being adjudicated. Specifically, in Illinois Bell Telephone Company: Proposed Implementation of High Frequency Portion of Loop (HFPL)/Line Sharing Service, ICC Docket No. 00-0393, the Commission will address the same issues which AT&T seeks resolution of in this proceeding, as AT&T is aware, having intervened in the docket and pre-filed testimony which placed line-splitting squarely at issue in that proceeding. (*See* AT&T Exhibit No. 1.0 at 6, n. 3 (Direct Testimony of Steven E. Turner); ICC Docket No. 00-393.) Accordingly, the Commission should not adjudicate the line-splitting issue in this proceeding.

The Staff does not mean to suggest, however, that Ameritech ought not to develop operational support systems and processes to provide the functionality. In the event that the Commission or FCC determines that Ameritech is indeed required to provide line splitting, there is no reason to start from scratch at that point in the development of OSS procedures. It is certainly the Staff's position, in this and other dockets, that the Commission should require SBC/Ameritech to provide line splitting. (*See* Staff Exhibit No. 1.2 at 1-2 (Surebuttal Testimony of Torsten Clausen); ICC Docket No. 00-393.)

As its final position, Staff recommends that the Commission not order line-splitting in this proceeding.

It recommends, however, that AI nevertheless be required to develop operational support systems and processes to provide the line-splitting functionality,

given the distinct possibility that the Commission or FCC determines that AI is indeed required to provide line splitting.

Conclusion:

We agree with both Staff and AI that the CLEC proposal must be rejected outright as a matter outside the scope of this proceeding. In the likely event, however, that it is ordered to provide line-splitting, Ameritech must be prepared to develop OSS to provide this functionality.

Issue #94
Dark Fiber/Copper Inquiry Process

(a) Whether Ameritech should be required to provide an electronic OSS for determining the availability of dark fiber.

(b) Whether Ameritech should be required to provide an electronic OSS for determining whether copper pairs are available for a specified address or whether the address is served by DLC.

Addressed by: AI, Staff, Covad/Rhythms and 21st Century.

a) Dark Fiber

Background:

The FCC defines dark fiber as:

> Dark fiber is deployed, unlit fiber optic cable that connects two points within the incumbent LEC's network. . . dark or "unlit" fiber, unlike "lit" fiber, does not have electronics on either end of the dark fiber segment to energize it to transmit a telecommunications service. Thus, dark fiber is fiber which has not been activated through connection to the electronics that "light" it and render it capable of carrying telecommunications services. To provide additional capacity, new electronics are attached to previously "lit" fiber or to previously "dark" fiber. Because dark fiber is already installed and easily called into service, we find that it is similar to the unused capacity of other network elements, such as switches or "dead count" or "vacant" copper wire that is dormant until carriers put it in service. *In the Matter of Implementation of the Local Competition*

> *Provisions of the Telecommunications Act of 1998*, Third Report and Order and Fourth Further Notice of Proposed Rulemaking, CC Docket No. 96-98, Para. 325 ("UNE Remand Order")

Dark fiber is not available everywhere. As a result, ordering dark fiber involves a two-step process: 1) an inquiry as to the availability of dark fiber in a particular location, and 2) placement of the actual order. CLECs would like an OSS interface developed to enable them to check the availability of dark fiber. Ameritech states that this would be unduly burdensome as no database exists with this information and frequently a site check is required to determine the availability of dark fiber.

Ameritech Position:

Ameritech contends that determining the availability of dark fiber is a manual process because there is no complete inventory at each Central Office. Therefore a field visit is often required to determine the availability. The number of inquiries received impacts the response time. Previously Ameritech committed to responding to all inquiries within 10 days. As of August 22, 2000, Ameritech has committed to a response time of 5 days when 1-10 inquiries are received. For 11-20 inquiries, the response time will continue to be 10 days and for any greater number of inquiries, Ameritech will respond on an individual case basis. AI believes that its process for determining the availability of dark fiber manually is reasonable due to the typical nature of dark fiber projects, and further notes that CLECs obtain dark fiber information in the exact same manner as AI's retail service representatives.

Ameritech argues that it is unable to comply with the CLEC request as no complete database exists to which CLECs can be given access. Furthermore, Ameritech argues that it is not legally required to construct such a database as stated in the UNE Remand Order ¶ 429 and that doing so would be a "massive undertaking."

CLEC Position:

21st Century argues that Ameritech's two-step process for requesting dark fiber is too time-consuming, paper-intensive and does not provide enough information. Currently a CLEC must submit an ASR to determine the availability of the dark fiber and then submit another ASR to actually order the dark fiber. 21st Century states that Ameritech has information regarding the availability of dark fiber in a mechanized system. CLECs want an interface available that will allow them access to the information. If, however, the Commission decides that AI does not keep this information in a mechanized form, it should be required to do so within six months. (21st Century Final Comments, p. 10). AI should also be required to respond to inquiries in 24 hours or at least in the time frames that it has committed to. (Id. at 11)

21st Century argues that this information is necessary in order for it to determine what services to offer in which areas. 21st Century needs to be able to determine where dark fiber is located throughout the Ameritech network so that the dark fiber can be used as part of 21st Century's own infrastructure. If dark fiber is not available, 21st Century may need to implement other technologies to establish service for its customers which may be a more complex, time intensive and costly process. For these reasons it is important for 21st Century to know where dark fiber is located in Ameritech's network and to have access to that information in a timely manner.

Staff Position:

Staff recommends that Ameritech take a forward looking approach in determining the best way to update and keep its records of facility information including dark fiber in a centralized and mechanized manner. Staff is aware that fulfilling this request requires a large undertaking on Ameritech's part since the information being tracked will possibly change with every order or with new fiber deployment. By the same token, and for those very same reasons, Staff believes that it is more important than ever to stay abreast of, and electronically document, all changes occurring to the network. With this in mind, Staff concludes that Ameritech should, within six months from the completion of this arbitration proceeding, present the Commission with a plan for mechanizing Ameritech's facility inventory records. In the meantime, Ameritech should institute new practices to ensure that the paper records of the Central Offices are kept up to date.

Staff notes that at the hearing 21st Century's witness indicated that recently placed orders for dark fiber had taken more than 15-20 days to receive a verbal confirmation of what was available and what was not available. This would indicate that the ASR inquiry process for dark fiber is not working as well as posited by Ameritech. 21st Century's example suggests that, in this instance, AI's process for CLEC inquiry into the availability of dark fiber is not working. According to Staff, AI should immediately take action to further define and actually test the inquiry and ordering process that it has in place for dark fiber. Further, Ameritech should provide the Commission with documentation on the training process it has in place for its technicians handling dark fiber requests as well as the materials or correspondence it uses to educate its account representatives and the CLECs on the new process. Ameritech should be required to keep the commitment it made on August 22, 2000 (i.e. that it will respond to dark fiber requests within 5 business days). In the event that it does not do so, Staff has already articulated, *supra*, the legal basis for its position regarding the Commission's authority to impose remedies for carrier non-compliance with Commission holdings. Staff, therefore, recommends that the Commission provide notice to SBC/Ameritech in the prefatory portion of the Final Order derived from this proceeding that any failure by SBC/Ameritech to comply with the OSS related deadlines it has committed to in this arbitration can be considered an "impediment to competition" within the meaning of Sections 13-514 and 13-515 of the Illinois Public Utilities Act.

As to the competitive effects of accepting Staff's position, Staff would note that having the ability to determine the amount of Dark Fiber available to the CLEC would increase the CLECs' ability to sell services that require the use of fiber to a particular area. Moreover, adopting an electronic interface would allow the ILEC to sell access to the Dark Fiber without having to do a manual inventory each time. As Staff sees it, the only cognizable downside to the adoption of its proposal is that following Staff's recommendations will entail a significant undertaking by the ILEC. The man hours to

do an inventory of each Dark Fiber and then enter the data into a data base could be quite expensive.

Analysis and Conclusion

The Commission does not believe that AI should, on the basis of the instant record, be required to create a database to inventory their dark fiber. The benefits of such a database do not seem to outweigh the costs involved. 21st Century, the only CLEC that was vocal on this issue has placed less than 10 inquiries for dark fiber (Tr. 1099) (Covad and Rhythms, in their Final Comments, state that they join in 21st Century's position on this issue.) This belief is also based on the FCC UNE Remand Order which stated, "If an incumbent LEC has not compiled such information for itself, we do not require the incumbent to conduct a plant inventory and construct a database on behalf of requesting carriers." (Para. 429). In its Brief on Exceptions, Staff argues that the level of demand for dark fiber found in this proceeding should not necessarily guide the Commission. (Staff Brief on Exceptions, p. 53). Staff points to AI's tariff filing for Unbundled Dark fiber, which is currently before the Commission, to show that the amount and frequency of dark fiber requests may change dramatically. (Illinois Bell Telephone Company, Proposed Introduction of Unbundled Network elements and Unbundled Dark Fiber, Ill.C.C. Dkt. 00-0538, consolidated with Illinois Bell Telephone Company, Proposed Introduction of Unbundled Sub-Loops, Ill.C.C. Dkt. No. 00-0539). Based on the record in this case, on which our decision must rest, and also based on the FCC's order, we do not require AI to create a dark fiber database at this time.

The Commission does, however find AI's response time to dark fiber inquiries unacceptable. Although AI has demonstrated that accessing information on dark fiber requires more than merely punching an inquiry into a back office computer system, some adjustments must be made. In the interest of competition, AI should respond to CLEC requests for this information in the same time periods as it provides the information to their own personnel. (See UNE Remand Order, Para. 431). The FCC found that "an incumbent LEC that has manual access to this sort of information for itself, or any affiliate, must also provide access to it to a requesting competitor on a non-discriminatory basis." (UNE Remand Order, Para. 429). The importance of this issue to interested CLECs supports the Commission's acceptance of Staff's assessment that AI should not only have a complete inventory of fiber for itself but should also have one available to respond to CLEC requests. The Commission, therefore, orders that, over the next 30 days, AI institute new practices to ensure that the paper records of its central offices are accurate and up to date.

This information is very important for CLECs in order to effectively compete in the market. AI argues that shorter time frames than those in its proposal are not necessary because then CLECs could use the information to build network architecture, rather than provisioning dark fiber on a customer-by-customer basis. As the discussion in Issue 19 and the Covad/Rhythms Arbitration made clear, however, CLECs should have this information in order to build their network and plan for future marketing. We agree with Staff that the proper focus of this Order should be on

whether AI is offering non-discriminatory access to dark fiber location information and not on what CLECs will do with the information.

In conclusion, the Commission finds that for 1-10 inquiries, AI will respond within 5 days. For more than 10 inquiries, AI will respond within 10 days. AI's proposal that more than 20 inquiries will be handled on a case by case basis is too vague. In light of AI's poor performance in the past, the Commission will adopt Staff's proposal to require AI to further define and test the inquiry and ordering process that it has in place for dark fiber. Furthermore, AI should provide the Commission with documentation on the training process it has in place for its technicians handling dark fiber requests as well as the materials or correspondence it uses to educate its account representatives and the CLECs on the new process.

Furthermore, while the Commission orders AI to respond to dark fiber requests in the time frames set out above, the Commission stresses that these response times are maximum response times which do not define or lessen AI's obligation to meet dark fiber inquiries on a non-discriminatory basis. (UNE Remand Order, para. 429). In this regard, the record supports the conclusion that the appropriate time to answer dark fiber inquiries will vary depending on the nature of the inquiry, most specifically whether a site visit is necessary, which in turn depends on whether the request concerns fiber locations between offices. (Tr. 1148-52). Here AI has conceded that to date most requests for dark fiber have not required field visits. Accordingly, whether a response time to a CLEC request is reasonable and non-discriminatory is a function of the amount of work needed to be done to answer it and the degree to which the company's response time coincides with its internal response to similar inquiries.

b) Copper Inquiry Process

Background

A digital loop carrier ("DLC") is network transmission equipment used to provide pair gain on a local loop. (Newton's Telecom Dictionary, 16th ed., 2000, p. 270). Pair gain is the multiplexing of x phone conversations over a lesser number of physical facilities. "Pair gain" is actually the number of conversations you get minus the number of wire pairs used by the system. (Id. at 629). If no copper wire is available to fulfill a CLEC unbundled loop order and Ameritech provides the loop via a pair gain device, or if a loop is served via DLCs, additional time and expense is required to obtain the loop.

Ameritech Position

AI believes that information on the presence of copper or DLC facilities at a particular location is already provided to the CLECs. As part of the order process, a "loop makeup" is provided, which tells the CLEC the configuration of the loop that meets the order's requirements. Therefore no special interface is necessary.

AI makes that information available to the CLEC via the loop qualification function in AI's pre-ordering TCNet Graphical User Interface. Loop Qualification became available on June 30, 2000.

Ameritech also argues that 21st Century has broadened the issue by requesting far greater access to Ameritech back-end systems. Exhibit 2 to the Joint Petition stated that 21st Century wanted an "interface where we could specify an address and determine if copper pairs are available, or whether the address is served by DLC." In its initial comments, however, 21st Century requests "access . . . to all databases, back-office systems and other OSS in which information concerning the existence of DLCs and copper facilities is housed."

CLEC Position

21st Century wants an interface developed in order to determine whether a DLC system is in place, also if an unbundled loop will be provided via a pair gain device and the location of copper wire. 21st Century claims that Ameritech has information available regarding the location of DLCs and dark fiber on its network as well as points where spare cooper loops are not available. 21st Century, in its initial comments, states that this information is available to Ameritech personnel in “mechanized systems”. CLECs require this information in order to be able to provide their customers accurate information regarding the services they can obtain from the CLECs. Currently CLECs gain this information on an order by order basis. In order to plan whether to offer service in an area, however, 21st Century believes that AI should be required to give access to CLECs to all databases, "back-office systems and other OSS" in which information concerning the existence of DLCs and copper facilities is housed.

Staff Position

Staff did not address the Copper Inquiry Process in their final comments.

Analysis and Conclusion

The issue as stated in Exhibit 2, to the joint petition, reads:

> Because we cannot serve SBC customers who are served by Integrated Digital Loop Carrier (IDLC), 21st Century would like a similar interface where we could specify an address and determine if copper pairs are available, or whether the address is served by DLC. (Joint Petition, Ex. 2, p. 15)

21st Century, in its initial and final comments states:

> Ameritech should be required to give access to CLECs to all databases, back-office systems and other OSS in which information concerning the existence of DLCs and copper facilities is housed. (21st Century initial comments p. 4, 21st Century final comments p. 11)

21st Century has expanded the scope of this issue in its comments and the issue will be decided as laid out in the joint petition. The issue of access to "back office systems and other OSS", however, is related to Issue #29,31 and CLECs' concerns are more thoroughly addressed there.

According to the POR and AI's initial comments it appears that AI has fulfilled the request made by CLECs in the joint petition. The details that Ameritech is providing about loop make-up are listed under the section titled Digital Subscriber Loop Qualification Inquiry of the POR Future Method of Operations and with greater specificity in Exhibit D, attached to the POR. (POR p. 44). The information that is provided includes "loop length . . . presence of load coals . . presence of bridged taps. presence of pair gain/DLC", etc. (POR p. 43.) Since Ameritech has complied with the request as laid out in the joint petition, no further action on the part of the Commission is required.

Issue 97:
Line Sharing - Ordering

The parties have settled this issue prior to hearing.

IV. SUMMARY OF ORDER

On this chart we highlight the directives that follow from our conclusions on the issues.

Issue	Implementation Date	Reporting
1 Versioning	March 2001	Yes
2. Joint Testing	January 2001	Yes
4. OIS Voting	----------	Yes
6. Availability	1 mo./6 mo./Order	Yes

9. IDR	----------	No
10. Word Changes	Settled	No
11. Retain Listing	March 2001	No
13. Lite Address	March, 2001	Yes
18. Flow Through	April 15, 2001	Yes
19. GUI	March 2001	No
29 DSL Qualification	March 2001	No
34. DSL Info	Settled	No
42. “865”	March, 2001	No
46. Hot Cuts	December, 2000	Joint Report
47. Frame Time	December, 2000	Joint Report
56. Cooperative Testing	90 days/Order	No
62. Directory Listing	June, 2001	No
73. Billing	October, 2001	No
74. Line Splitting	----------	No
94. Dark Fiber	Date of Order	Yes
97. Line Sharing	Settled	No

The implementation dates set out above are not all inclusive. With respect to some of the issues, this chart only identifies when the first action in a series is to be taken. (See e.g. Issue 62 which also requires certain other measures to be implemented by September, 2001).

V. ENFORCEMENT OF ORDER

The Commission Staff, and we presume the CLECs also, will follow closely the actions of AI in respect to this Order. Through the workings of Staff, the Commission has been duly apprised of several different means by which we can pursue compliance with our directives (see *infra.* Section II, C, 2). Staff further recommends that the Commission enumerate in the instant order which violations of the order it will consider to be prohibited impediments to competition under Section 13-514 of the Act, for the violation of which other carriers may file complaints under Section 13-515 of the Act, potentially subjecting the violator to the more substantial penalties under Section 13-516 of the Act (Staff Final Comments at 10). The Commission declines, at this time, to specifically enumerate which violations of this order we will consider to be prohibited impediments to competition under Section 13-514 of the Act. However, we do perceive through our analysis of the issues that many obligations included in the instant order are meaningful to the development of competition, and failure to fulfill some of these obligations may, in fact, subject Ameritech to a Section 13-514 action which may be enforced under Sections 13-515 and 13-516. We will seriously judge the merits of each 13-514 complaint brought before us pertaining to OSS, should the situation arise.

Like the Commission, AI should note the availability of these compliance measures and ~~as well, and~~ be assured that one or more of these remedies will be pursued should the need arise.

However, ~~I~~it is not the monetary amount attendant to these compliance actions, but its good name and reputation which should concern AI and provide the necessary incentive to ~~strengthen its resolve to~~ meet each of its obligations in a diligent manner.

~~While we will not prejudge any matter not before us, nor act as counsel to any party, we do perceive through our analysis of the issues that many aspects of our order are meaningful to the development of competition.~~

VI. FINDINGS AND ORDERINGS PARAGRAPHS

The Commission, having considered the entire record herein and being fully advised in the premises, is of the opinion and finds that:

(1) Each of the Joint Petitioners is a telecommunications carriers properly certified in the State of Illinois;

(2) the Commission has jurisdiction over the parties and the subject matter herein;

(3) the recitals of fact and conclusions of law set out in the prefatory portion of this Order are supported by the record and are hereby adopted as findings of fact and law;

(4) the directives set out above on each of the disputed matters are reasonable and should be followed;

(5) the parties have filed together with their Joint Petition as an exhibit thereto, the Proposed Plan of Record;

(6) the Proposed Plan of Record should be modified to the extent and in a manner consistent with the directives set out above and with no other substantive changes;

(7) the modified Plan of Record should be jointly filed with the Commission within 15 days of the entry of this Order;

(8) the filing of the modified Plan of Record should constitute the end of Phase 2 of Condition 29 of the Illinois Merger Order.

(9) any motions objections or petitions in this proceeding that have not specifically been ruled on should be disposed of in a manner consistent with the findings and conclusions herein;

(10) All reports required by this Order should be verified by an officer of AI and filed with the Chief Clerk of the Commission as a public record available for inspection and copying.

IT IS THEREFORE ORDERED that the arbitration provided for under Condition 29 (Phase 2) of the Illinois Merger Order, Docket 98-0555 is complete upon the Petitioners' joint filing of the modified Plan of Record consistent with the directives set out in this Order.

IT IS FURTHER ORDERED that the Petitioners' joint filing of the modified Plan of Record will be 15 days from the entry of this Order.

IT IS FURTHER ORDERED that all reports required by this Order shall be verified by an officer of AI and shall be filed with the Chief Clerk of the Commission as a public record available for inspection and copying.

IT IS FURTHER ORDERED that subject to the provisions of Section 10-113 of the Public Utilities Act and 83 Ill. Adm. Code 200.880, this order is final, it is not subject to the Administrative Review Law.

By Order of the Commission this 23rd of January, 2001.

Chairman